

AGENDA
BOARD OF DIRECTORS
ROSSMOOR COMMUNITY SERVICES DISTRICT

REGULAR MEETING

Please be advised that all persons wishing to attend this meeting may do so in person or via Zoom.
Join Zoom Meeting: <https://zoom.us/j/98120341211?pwd=NGtBQzdkbVpVa0lMdlZiVEhDRnlRUT09>
Enter Meeting ID: **981 2034 1211** and Passcode: **Rossmoor**

RUSH PARK
Auditorium
3021 Blume Drive
Rossmoor, California 90720

Tuesday, October 12, 2021

7:00 p.m.

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing in the agenda. To speak on an item, complete a Speaker Request Form(s) identifying the item(s) and topic and deposit it in the speaker request box. To speak on a matter not appearing in the agenda, but under the jurisdiction of the Board of Directors, you may do so during Public Comments at the beginning of the meeting. Speaker request forms must be deposited prior to the beginning of Public Comments. When addressing the Board, it is requested that you state your name for the record. Address the Board as a whole through the President. Comments to individual Directors or staff are not permitted. Speakers are limited to three (3) minutes per item with nine (9) minutes cumulative for the entire meeting. Supporting documentation is available for review in the Rush Park main office, 3001 Blume Drive, Rossmoor, CA 90720; 9:00 a.m. - 5:00 p.m., Monday-Friday. The agenda is available online at: <http://www.rossmoor-csd.org>. Meetings are broadcast live on LATV-3 and may also be viewed on Vimeo.com or on the RCSD website at <http://www.rossmoor-csd.org>.

A. ORGANIZATION

1. CALL TO ORDER: 7:00 p.m.
2. ROLL CALL: Directors DeMarco, Nitikman, Rips, Searles
President Barke
3. PLEDGE OF ALLEGIANCE: Director Searles
4. PRESENTATIONS:
 - a. CHP Quarterly Traffic Report presented by Officer Matt Musselmann
 - b. Orange County Sanitation District Trunk Project Update presented by Daisy Covarrubias, Principal Public Affairs Specialist

B. ADDITIONS TO AGENDA – None

In accordance with Section 54954 of the Government Code (Brown Act), action may be taken on items not on the agenda, which was distributed, if: A majority of the Board



determines by formal vote that an emergency exists per Section 54956.5 (for example, work stoppage or crippling disaster which severely impairs public health and/or safety); or

Two-thirds (2/3) of the Board formally votes or, if less than 2/3 of members are present, all of the Board members present vote, that there is a need to take immediate action, which arose after the agenda was posted.

C. PUBLIC FORUM

Any person may address the Board of Directors at this time upon any subject within the jurisdiction of the Rossmoor Community Services District; however, any matter that requires action may be referred to Staff at the discretion of the Board for a report and action at a subsequent Board meeting.

D. REPORTS TO THE BOARD

1. QUARTERLY TREE REPORT
2. MONTHLY TRAFFIC SAFETY UPDATE

E. CONSENT CALENDAR

1. MINUTES:
 - a. Regular Board Meeting of September 14, 2021
2. AUGUST 2021 REVENUE AND EXPENDITURE REPORT

Consent items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time. If any Board member requests that an item be removed from the Consent Calendar, it shall be removed by the President so that it may be acted upon separately.

F. PUBLIC HEARING: None

G. RESOLUTIONS

1. RESOLUTION NO. 21-10-12-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S REJECTION OF GOVERNMENT CLAIM
2. RESOLUTION NO. 21-10-12-02 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT TO CONTINUE CONDUCTING MEETINGS OF THE DISTRICT BOARD AND COMMITTEES REMOTELY AS NEEDED DUE TO HEALTH AND SAFETY CONCERNS FOR THE PUBLIC

ORDINANCES: None

H. REGULAR CALENDAR

1. RENEWAL OF ROSSMOOR COMMUNITY SERVICES DISTRICT PROFESSIONAL SERVICES AGREEMENT FOR HEARING OFFICER SERVICES WITH MICHAEL EUGENE RANESES
2. RENEWAL OF PROFESSIONAL SERVICES AGREEMENT FOR GENERAL FINANCIAL AND ACCOUNTING ADVISORY SERVICES WITH THE PUN GROUP LLP

3. REPORT OF THE AUDIT COMMITTEE RE: FY 2020-2021 AUDIT

I. GENERAL MANAGER ITEMS

This part of the agenda is reserved for the General Manager to provide information to the Board on issues that are not on the Agenda, and/or to inform the Board that specific items may be placed on a future agenda. No Board action may be taken on these items that are not on the agenda.

J. BOARD MEMBER ITEMS

This part of the agenda is reserved for individual Board members briefly to make general comments, announcements, reports of his or her own activities, and requests of staff, including that specific items be placed on a future Agenda. The Board may not discuss or take action on items not on the Agenda.

K. GENERAL COUNSEL ITEMS

This part of the agenda is reserved for General Counsel to make comments, announcements and reports of activities that are legal in nature. The Board may not discuss or take action on items not on the agenda.

L. CLOSED SESSION

Public Comment: Members of the public are welcome to address the Board of Directors, at this time, only on those items on the Closed Session agenda.

1. CONFERENCE WITH LEGAL COUNSEL

Consideration of discipline or dismissal of a public employee.
Government Code Section 54957(b)(1).

M. ADJOURNMENT

It is the intention of the Rossmoor Community Services District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the District will attempt to accommodate you in every reasonable manner.

Please contact the District Office at (562) 430-3707 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

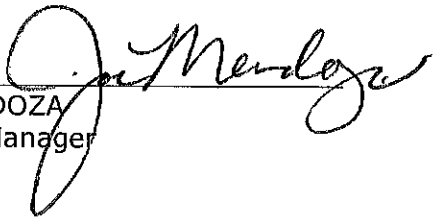
Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors.

Any such writing will be available for public inspection at the District offices located at [3001 Blume Drive, Rossmoor, CA 90720](#). In addition, any such writing may also be posted on the District's web site at www.rossmoor-csd.org.

CERTIFICATION OF POSTING

I hereby certify that the attached Agenda for the October 12, 2021, 7:00 p.m. Regular Meeting of the Board of Directors of the Rossmoor Community Services District was posted at least 72 hours prior to the time of the meeting.

ATTEST:



JOE MENDOZA
General Manager

Date 10/7/2021

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM A-4a

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: CALIFORNIA HIGHWAY PATROL OFFICER MATT MUSSELMANN RE:
QUARTERLY TRAFFIC REPORT

RECOMMENDATION

Receive and file presentation.

INFORMATION

California Highway Patrol (CHP) Officer Matt Musselmann will present the quarterly traffic report.

ATTACHMENTS

None

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM A-4b

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: ORANGE COUNTY SANITATION DISTRICT TRUNK PROJECT UPDATE
PRESENTED BY DAISY COVARRUBIAS, PRINCIPAL PUBLIC AFFAIRS
SPECIALIST

RECOMMENDATION

Receive and file presentation.

INFORMATION

Daisy Covarrubias, Principal Public Affairs Specialist for the Orange County Sanitation District, will make a presentation regarding the status of the upcoming trunk construction project and notification process to the community.

ATTACHMENTS

None

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM D-1

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Initiated by Mary Kingman District Arborist
Subject: QUARTERLY TREE REPORT

RECOMMENDATION

Receive and file report.

BACKGROUND

The Tree Report is intended to provide the Rossmoor Community Services (RCSD) Board of Directors with the status of the urban forest and the work being performed in the maintenance and preservation of the trees within the parks and parkways in Rossmoor.

ATTACHMENTS

1. Tree Report
2. Tree Report Totals

**RCSD TREE DEPARTMENT
QUARTERLY REPORT ON THE URBAN FOREST
May-August 2021**

Orange County Public Works assisted with trimming on 97 trees located throughout Rossmoor in June and August. These trees had safety issues such as dead limbs or were creating a clearance issue for vehicles and/or pedestrians. Safety trims were performed by District contractors in July and August on 29 parkway trees and 28 park trees. Tree planting for the fall/winter season will resume in October and will be completed in March 2022. Forty-eight trees that were either dead or considered high risk were removed from Rossmoor parkways. One tree removal permit was granted for driveway relocation. A total of four unauthorized trimming or removal citations were issued to property owners.

A number of residents have been installing artificial turf in their parkways, subsequently placing the artificial turf against the parkway tree trunk. This is in violation of RCSD Policy No. 3080.62 which states that artificial turf shall not be installed closer than three feet from the base of a tree. Therefore, a number of letters that have been sent out requesting that residents correct or remove the artificial turf placed against tree trunks. An educational article will be included in the October newsletter, the District's website, social media, and submitted as a press release to the local newspaper.

Due to two recent tree failures at Rossmoor Park, the General Manager has requested a soils report to evaluate the condition of the soil, and a third-party arborist report has been requested to examine like trees within the park and evaluate their health. The assessment will provide a deeper look into the condition of the trees and provide a basis for the District to be as proactive as possible to protect users of the park and the District.

RCSD staff will continue to promote, protect, and maintain a healthy urban forest in Rossmoor. The following are some of the practices that are implemented as part of the District's Urban Forestry program:

Planting Trees

- Replace removed trees vacant parkways and park sites.
- Promote an age and species diverse urban forest.
- Encourage residents to take part in the tree selection process.

Caring for Trees

- Prune all trees on a four-year grid cycle, with one grid area being trimmed each year.

- Order supplemental trims as needed, for crown thinning of mature trees and structural pruning of young trees.
- Trim for safety and clearance with the assistance of Orange County Public Works.
- RCSD will perform light pruning and re-stake trees as appropriate.
- Water newly planted or drought stressed trees as needed.
- Respond to resident service requests in a timely manner.

Monitoring Trees

- Assess and monitor trees regularly for health, maintenance, and safety issues and trim or remove if necessary.
- Respond promptly to resident service requests for safety concerns, trim requests, removal requests, planting requests and general inquiries.

Protecting Trees

- Respond accordingly to parkway tree policy violations such as unauthorized trims, removals, and plantings.
- Issue administrative citations and fines for unauthorized trimming or removal.
- Send letters of correction requesting residents to remove items such as swings and signs that are affixed to parkway trees or artificial turf installed against tree trunks.

Educating the Public

- Distribute the District's new homeowner welcome packets that will include informational brochures and flyers as well as the RCSD tree policy.
- Keep the District website updated with information pertaining to Rossmoor's Urban Forest.
- Provide tree related information in the RCSD newsletter.
- Hold an annual Arbor Day Celebration to highlight the trees of Rossmoor and to educate citizens on the benefits of trees.
- Working with area schools to help educate students on the benefits of trees in their community.

Urban Forest Report May - August 2021 Totals

Month	Safety Pruning OCPW	Grid Pruning	Off-Grid Pruning	Tree Planting	Trim/Removal Citations	Tree Trimming Permit	Tree Removals - Parkways	Tree Removals Parks	Removal Permit, Driveway Approach	Resident Service Request
May-21										14
June-21	32				1					30
July-21				29	3		16		1	36
August-21	65			28			32			69
Totals	97	0	57	0	4	0	48	0	1	149

Tree Failure Details

Date	Failure (Tree Part)	Quantity	Conditions	Damage
May-Aug	Tree	2	Basal/root decay	2 - Vehicle
May-Aug	Limb Failure	12	Summer Branch Drop	None
May-Aug	Limb Failure	6	Decay/Disease	1 - Vehicle
May-Aug	Limb Failure	1	Hit by vehicle	N/A

Vacant Site Plant Lists

Fall/Winter 2021-2022	170
Parks	40
School Parkways (approx)	35
Construction Hold	29
Resident Refusals	48
	322

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM D-2

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: MONTHLY TRAFFIC SAFETY UPDATE

RECOMMENDATION

Review and discuss information provided.

BACKGROUND

President Barke has requested the Rossmoor Community Services District (RCSD) staff provide a monthly update to the RCSD Board of Directors to keep the Board and community informed of measures being taken to address traffic safety within the Rossmoor community.

INFORMATION

The Community Traffic/Safety Advisory Committee (Traffic Safety Committee) has a meeting scheduled on Thursday, October 28, 2021 at 7 p.m. (in-person and by Zoom). Items to be discussed will include:

- Update regarding the portable radar black box. The City of Cerritos is loaning the RCSD a speed recording device and this will give us an example of the information that is obtained from such a device. The black box records speeds and times. It is anticipated the black box will be installed approximately one week prior to the Committee meeting.
- The Traffic Safety Committee will also discuss possible solutions regarding parking issues on the arterial streets along Montecito Road and Bradbury Road.
- The General Manager will provide the Committee with an update regarding the enhanced enforcement by the California Highway Patrol (CHP) and the cost associated with scheduling additional deployment for ticket enforcement. Ongoing dialogue with Los Alamitos Unified School District (LAUSD) officials has taken place and will be presented to the Committee for future recommendation to the RCSD Board.

ATTACHMENTS

None

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM E-1a

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: MINUTES – REGULAR BOARD MEETING OF SEPTEMBER 14, 2021

RECOMMENDATION

It is recommended that the Rossmoor Community Services District (RCSD) Board of Directors approve the Minutes of the Regular Meeting of September 14, 2021 prepared by the Board's Secretary/General Manager.

INFORMATION

The Minutes reflect the actions of the RCSD Board of Directors at their meeting of September 14, 2021.

ATTACHMENTS

1. Minutes – Regular Meeting of September 14, 2021



**MINUTES
BOARD OF DIRECTORS
ROSSMOOR COMMUNITY SERVICES DISTRICT**

REGULAR MEETING

RUSH PARK
3021 Blume Drive
Rossmoor, California

Tuesday, September 14, 2021

A. ORGANIZATION

1. CALL TO ORDER: 7:02 p.m.
2. ROLL CALL: Directors DeMarco, Nitikman, Rips, Searles,
President Barke
3. PLEDGE OF ALLEGIANCE: Director Rips led the Pledge of Allegiance.
4. PRESENTATIONS:
 - a. Recognition of Rossmoor resident Allyson Bragg for representing the Rossmoor Community Services District in the production of *A Midsummer Night's Dream* presented by the Inner-City Shakespeare Ensemble and directed by Dr. Melanie Andrews.

On behalf of the Board of Directors, President Barke recognized Allyson Bragg for representing the Rossmoor Community Services District in the production of *A Midsummer Night's Dream* presented by the Inner-City Shakespeare Ensemble and directed by Dr. Melanie Andrews and presented her and Dr. Andrews with bouquets of flowers.

Ms. Bragg and Dr. Andrews thanked the RCSD and spoke about the recent production.

- b. Orange County Sheriff's Department Captain Gary Knutson Re: OCSD Quarterly Crime Statistics

Orange County Sheriff's Department Captain Gary Knutson presented crime statistics for July and August; discussed catalytic converter thefts, calls for service, and incidents.

Discussion followed regarding increased number of petty thefts in July, catalytic converter thefts, the possibility of offering engraving services, specific times when a deputy is assigned to Rossmoor, locations of traffic tickets, a recent assault incident, offering tips for public protection and vehicles targeted for catalytic converter thefts.

- c. CR&R and Orange County Waste and Recycling (OCWR) Re: service and Senate Bill 1383 requiring new three-bin collection system

Representatives from CR&R and OCWR were introduced, and CR&R Senior Sustainability Manager Hashem Shokair displayed a PowerPoint presentation addressing upcoming changes in services to RCSD and collection and community services provided by the organization.

Joanne Taylor discussed household hazardous waste drop-off centers, SB 1383, source separation requirements, special handling, the number of vehicle passes, enforcement and taking street-sweeping into consideration.

President Barke invited public comments.

Dr. Maureen Waters discussed issues related to COVID-19 and commented on challenges reporting service issues.

Konya Vivanti noted other haulers have similar service issues and offered her help.

Kevin Pierce expressed concern that his street has not been included in the route map and noted pick-up issues.

There were no other public comments.

Discussion followed regarding making compliance easier in terms of household hazardous waste disposal, scheduling public forums to educate residents, the importance of communication, special pick-ups, upcoming town halls/educational campaigns, costs of extra containers, reporting broken containers, the need for improved customer service/responsiveness and the possibility of implementing a service-ticket system.

B. ADDITIONS TO AGENDA - None

C. PUBLIC FORUM

President Barke invited comments from the public.

Dr. Jody Roubanis, on behalf of the Los Alamitos PTA, announced the upcoming Walk and Bike to School Day on October 6, 2021.

There were no other public comments.

D. REPORTS TO THE BOARD

1. QUARTERLY RECREATION REPORT

Recreation Superintendent Chris Argueta presented details of the Quarterly Recreation report including recent events and programs and activities at Rossmoor and Rush Parks.

2. MONTHLY TRAFFIC SAFETY UPDATE

General Manager Mendoza presented an update on traffic safety; addressed the last Traffic/Safety Committee meeting; discussed Orange County Public Works (OCPW) responses to questions from the Board during the August 10, 2021 Board meeting and reported there will be another Traffic/Safety Committee meeting scheduled in October.

Discussion followed regarding differences between Bradbury and other streets in terms of miles per hour, the benefits of the Traffic/Safety Committee in improving communications with OCPW, and the importance of building relationships.

E. CONSENT CALENDAR

1. MINUTES:

- a. Regular Board Meeting of August 10, 2021

2. JULY 2021 REVENUE AND EXPENDITURE REPORT

Motion by President Barke, seconded by Director Rips to approve the Consent Calendar, as presented. Motion passed 5-0.

F. PUBLIC HEARING – None

G. RESOLUTIONS

Legal Counsel Tarquin Preziosi reported the request is to accept a late claim; noted it does not appear to be reflected in the resolution; explained that under the Government Claims Act, the claim must be presented within six months of the injury and if not, the claimant must present a request to file a late claim which the governmental entity (RCSD) must act on and act on the claim itself, if it accepts the late claim. He believed the resolution presented may be incomplete, stated the report indicates that Carl Warner rejected the claim but noted there is no indication of that.

General Manager Mendoza reported Carl Warner accepted the late claim; requested that RCSD reject it and noted Attachment 3 is the notice of claim rejection.

1. RESOLUTION NO. 21-07-14-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S REJECTION OF GOVERNMENT CLAIM

Motion by President Barke, seconded by Director Nitikman to waive further reading and adopt Resolution No. 21-07-14-01, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S REJECTION OF GOVERNMENT CLAIM as presented and give staff the authority to reject the request to file a late claim, if recommended by Carl Warner.

The motion carried 5-0, with the following vote:

AYES:	Directors Nitikman, Rips, DeMarco, Searles and President Barke
NOES:	None
ABSTAIN:	None
ABSENT:	None

ORDINANCES - None

H. REGULAR CALENDAR

1. CONSIDERATION OF A SCHEDULE TO PROVIDE EDUCATIONAL PUBLIC FORUMS AND STUDY SESSIONS REGARDING LOCAL CONTROL

General Manager Mendoza presented details of the report and presented potential dates for the forums and study sessions and panelists.

Discussion followed regarding topics to be presented at each meeting, the need to be repetitive with the information presented at each meeting, the importance of having expert panelists including someone who can write legislation, providing as much information to the public as possible, having pre-meetings with consultants to ensure the information is on track with what is needed, the importance of getting consensus and developing survey questions.

President Barke invited public comments.

Kevin Pierce requested distribution of survey questions prior to the meeting on October 7, 2021, adding that he would prefer a joint survey between RHA and RCSD.

President Barke suggested distributing the survey after the first meeting on October 7, 2021.

There were no other public comments.

I. GENERAL MANAGER ITEMS

General Manager Mendoza discussed Rossmoor Park Community Center and replacement of the office flooring, Rossmoor Park parking stall resurfacing, street sweeping, an update on zip codes and Rush Park Auditorium audio/visual and lighting upgrades.

J. BOARD MEMBER ITEMS

Director Nitikman commented on CR&R, hoped residents will be kept well-informed; asked that the information be included on the RCSD website and discussed disposal of alkaline batteries, household hazardous waste centers, and user fees for non-profits.

Director Rips shared his experience as Executive Director at the Jewish Community Center; noted non-profits provide a service for Rossmoor that RCSD cannot provide; commented on non-profits listing RCSD as a sponsor/partner and requested an update on the District's cloud-based accounting system. General Manager Mendoza reported Accountant Ken Pun will present a report at the next Board meeting and stated he will be meeting with the Budget Committee to review it.

Director Searles spoke about the Walk and Bike to School Day event; thanked Supervisor Foley for her recent participation in walking the community as well as the RHA; commented on the Foodie Festival and Winter Fest and thanked everyone for participating in tonight's meeting.

Director DeMarco spoke about the Foodie Festival; addressed the importance of educating residents on the new waste collection service and oversight; discussed the need for residents to know when the Sheriff's Deputy is assigned to Rossmoor, the possibility of obtaining a schedule and talked about getting information regarding the location of traffic citations in Rossmoor.

President Barke thanked General Manager Mendoza for the September 11th event and announced the Los Alamitos Chamber of Commerce Heroes Luncheon, noting RCSD is hosting this event.

General Manager Mendoza asked that the meeting, tonight, be adjourned in memory of Carl Stewart, Nesi Stewart's husband.

K. GENERAL COUNSEL ITEMS

L. CLOSED SESSION

At approximately 10:12 p.m. President Barke announced the Board would adjourn to closed session. Motion by President Barke, seconded by Director DeMarco, to adjourn to closed session in memory of Carl Stewart.

1. CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Subdivision (a) of Section 54957.6, California Government Code Agency Designated Representative: Joe Mendoza, General Manager
Name of Employee Organization: All Unrepresented Employees

At approximately 10:22 p.m. the Board reconvened into open session. there was no reportable action.

M. ADJOURNMENT

Motion by President Barke, seconded by Director DeMarco, to adjourn the regular meeting at 10:23 p.m. Motion passed 5-0.

SUBMITTED BY:

Joe Mendoza
General Manager

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM E-2

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Accountant Ken Pun
Subject: AUGUST 2021 REVENUE and EXPENDITURE REPORT

RECOMMENDATION

It is recommended that the Rossmoor Community Services District (RCSD) Board of Directors approve the Revenue and Expenditure Report for August 2021.

INFORMATION

The Revenue and Expenditure Report is submitted on a monthly basis, as an indication of the District's unaudited year-to-date revenues and expenses.

ATTACHMENTS

1. Revenue and Expenditure Report for the month of August 2021.

Rossmoor Community Services District
Schedule of Revenues and Expenditures and Changes in Fund Balance - Budget and Actual
For the month ended August 31, 2021

	Original Budget	Current Month August	Adjustments	Year to Date	Variance	% of Budget
Revenues:						
Property taxes	\$ 1,100,000	\$ 1,850	\$ (14,001)	\$ 2,167	\$ 1,097,833	0.20%
Street light assessments	372,000	644	(4,875)	327	371,673	0.09%
Interest on investments	9,600	-	(921)	-	9,600	0.00%
From Other Governmental Agencies	258,000	-	-	-	258,000	0.00%
Permit and Rental Fees	137,300	18,690	-	32,689	104,611	23.81%
Miscellaneous	19,000	4,512	-	5,602	13,398	29.48%
Total Revenues	1,895,900	25,696	(19,797)	40,785	1,855,115	2.15%
Expenditures:						
Administrative	957,700	60,765	-	129,339	828,361	13.51%
Recreation	39,500	5,991	-	12,722	26,778	32.21%
Rossmoor Park	263,000	12,376	4,268	24,357	238,643	9.26%
Montecito Center	24,400	676	465	3,121	21,279	12.79%
Rush Park	145,500	16,768	(2,183)	27,075	118,425	18.61%
Street Lighting	100,000	8,633	(3,328)	17,206	82,794	17.21%
Rossmoor Wall	1,000	-	-	-	1,000	0.00%
Street Sweeping	65,000	4,971	-	10,117	54,883	15.56%
Parkway Tree	170,000	6,735	-	9,827	160,173	5.78%
Mini-Parks and Median	11,800	1,269	778	2,288	9,512	19.39%
Total Expenditures	1,777,900	118,184	-	236,052	1,541,848	13.28%
Changes in Fund Balance	118,000	\$ (92,488)	\$ (19,797)	(195,267)	\$ 313,267	
Fund Balance:						
Beginning of Period	1,283,900			1,283,900		
End of Period	\$ 1,401,900			\$ 1,088,633		

Adjustments:

- Adjustments to Property Taxes, Street Light Assessments, and Interest were accrued back to June 30, 2020 and was reflected in the audited financial statements.
- Adjustments to Expenditures were additional invoices received in August for July Expenditures. Also, reallocation of Utilities and Water to the correct cost center.

REVENUE/EXPENDITURE REPORT

Rossmoor Community

For the Period: 7/1/2021 to 8/31/2021

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND							
Revenues							
Dept: 00							
3000 Current Secured Property Taxes	1,020,000.00	1,020,000.00	0.00	0.00	0.00	1,020,000.00	0.0
3001 Current unsecured prop tax	34,000.00	34,000.00	0.00	0.00	0.00	34,000.00	0.0
3002 Prior secured property taxes	14,000.00	14,000.00	1,368.19	1,368.19	0.00	12,631.81	9.8
3003 Prior unsecured prop taxes	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
3004 Delinquent property taxes	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
3010 Current supplemental assessmt	18,000.00	18,000.00	799.04	481.82	0.00	17,200.96	4.4
3020 Public utility tax	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
3105 Street light assessments	372,000.00	372,000.00	327.18	644.30	0.00	371,672.82	0.1
3200 Interest on investments	9,600.00	9,600.00	0.00	0.00	0.00	9,600.00	0.0
3210 Prop 68 Grant Funding	175,000.00	175,000.00	0.00	0.00	0.00	175,000.00	0.0
3250 FEMA Grant-Covid 19	19,000.00	19,000.00	0.00	0.00	0.00	19,000.00	0.0
3301 State homeowner proptax relief	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	0.0
3305 County street sweep reimburse	60,000.00	60,000.00	0.00	0.00	0.00	60,000.00	0.0
3404 Court reservations	45,000.00	45,000.00	17,394.05	8,967.55	0.00	27,605.95	38.7
3405 Wall Rental	300.00	300.00	50.00	50.00	0.00	250.00	16.7
3408 Ball field reservations	12,000.00	12,000.00	4,078.08	3,002.00	0.00	7,921.82	34.0
3407 Tree Trim Permits	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	0.0
3410 Rossmoor building rental	10,000.00	10,000.00	135.00	90.00	0.00	9,865.00	1.4
3412 Montecito building rental	15,000.00	15,000.00	2,847.00	1,965.50	0.00	12,153.00	19.0
3414 Rush Park Building Rental	50,000.00	50,000.00	8,184.00	4,615.00	0.00	41,816.00	16.4
3500 Other miscellaneous revenue	5,000.00	5,000.00	5,602.27	4,512.35	0.00	-602.27	112.0
3504 Winterfest Sponsorships	14,000.00	14,000.00	0.00	0.00	0.00	14,000.00	0.0
Dept: 00	1,895,900.00	1,895,900.00	40,784.81	25,696.81	0.00	1,855,115.19	2.2
Revenues	1,895,900.00	1,895,900.00	40,784.81	25,696.81	0.00	1,855,115.19	2.2
Expenditures							
Dept: 10 ADMINISTRATION							
4000 Board of Directors Compensatin	9,000.00	9,000.00	2,257.94	1,200.00	0.00	6,742.06	25.1
4002 Salaries - Part-time	64,272.00	64,272.00	12,421.90	7,283.03	0.00	51,850.10	19.3
4003 Salaries - Overtime	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	0.0
4005 Salaries - Event Attendant	0.00	0.00	202.50	0.00	0.00	-202.50	0.0
4006 SALARY - ADMINISTRATION	220,560.00	220,560.00	14,887.20	7,083.32	0.00	205,672.80	6.7
4007 Vehicle Allowance	1,500.00	1,500.00	290.12	156.14	0.00	1,209.88	19.3
4008 SALARY - RECREATION	116,085.00	116,085.00	17,004.26	9,752.98	0.00	99,080.74	14.6
4009 SALARY - PARK/TREE MAINTENANCE	84,168.00	84,168.00	17,256.35	9,673.37	0.00	66,911.65	20.5
4010 Workers Compensation Insurance	18,500.00	18,500.00	4,182.99	1,394.33	0.00	14,317.01	22.6
4011 Medical Insurance	85,000.00	85,000.00	12,239.76	6,119.88	0.00	72,760.24	14.4
4015 Federal Payroll Tax -FICA	48,415.00	48,415.00	13,032.42	2,714.78	0.00	35,382.58	26.9
5002 Insurance - Liability	35,000.00	35,000.00	2,112.00	0.00	0.00	32,888.00	6.0
5004 Memberships and Dues	7,200.00	7,200.00	6,537.87	4,260.00	0.00	662.13	90.8
5006 Travel & Meetings	2,500.00	2,500.00	94.25	0.00	0.00	2,405.75	3.8
5007 Televised Meeting Costs	20,000.00	20,000.00	4,034.20	2,017.10	0.00	15,965.80	20.2
5010 Publications & Legal Notices	6,500.00	6,500.00	2,905.00	2,408.75	0.00	3,595.00	44.7
5012 Printing	3,000.00	3,000.00	878.00	200.65	0.00	2,122.00	29.3
5014 Postage	2,500.00	2,500.00	37.05	0.00	0.00	2,462.95	1.5
5016 Office Supplies	15,000.00	15,000.00	843.17	0.00	0.00	14,156.83	5.6
5020 Telephone	12,000.00	12,000.00	973.90	0.00	0.00	11,026.10	8.1
5021 Computer Costs	5,000.00	5,000.00	250.00	0.00	0.00	4,750.00	5.0
5045 Miscellaneous Expenditures	10,000.00	10,000.00	1,379.58	584.49	0.00	8,620.42	13.8
5046 Bank Service Charge	1,000.00	1,000.00	706.54	329.58	0.00	293.46	70.7
5610 Legal Counsel	60,000.00	60,000.00	6,572.50	2,962.50	0.00	53,427.50	11.0
5615 Financial Audit-Consulting	17,000.00	17,000.00	0.00	0.00	0.00	17,000.00	0.0
5617 Administrative Fees	0.00	0.00	1,139.39	524.16	0.00	-1,139.39	0.0
5620 Misc Studies	60,000.00	60,000.00	0.00	0.00	0.00	60,000.00	0.0
5670 Other Professional Services	35,000.00	35,000.00	7,100.00	2,100.00	0.00	27,900.00	20.3
6010 Equipment	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.0
6025 Software	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	0.0
ADMINISTRATION	957,700.00	957,700.00	129,338.89	60,765.06	0.00	828,361.11	13.5

REVENUE/EXPENDITURE REPORT

Rossmoor Community

For the Period: 7/1/2021 to 8/31/2021		Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND								
Expenditures								
Dept: 20 RECREATION								
5017	Community Events	39,500.00	39,500.00	12,722.07	5,991.07	0.00	26,777.93	32.2
RECREATION		39,500.00	39,500.00	12,722.07	5,991.07	0.00	26,777.93	32.2
Dept: 30 ROSSMOOR PARK								
5018	Janitorial Supplies	6,000.00	6,000.00	1,690.87	301.48	0.00	4,309.13	28.2
5022	Utilities	12,500.00	12,500.00	2,695.94	1,036.85	0.00	9,804.06	21.6
5023	Water	28,000.00	28,000.00	10,583.52	7,915.71	0.00	17,416.48	37.8
5025	SECURED PROP TAX	1,150.00	1,150.00	0.00	0.00	0.00	1,150.00	0.0
5030	Vehicle Maintenance	1,000.00	1,000.00	716.35	347.12	0.00	283.65	71.6
5032	Building & Grounds-Maintenance	30,000.00	30,000.00	3,983.25	298.50	0.00	26,016.75	13.3
5034	Alarm Systems	850.00	850.00	174.88	132.00	0.00	675.12	20.6
5045	Miscellaneous Expenditures	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5051	Equipment Rental	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5052	Minor Facility Repairs	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5655	Landscape Maintenance	27,000.00	27,000.00	4,512.37	2,344.07	0.00	22,487.63	16.7
6005	Buildings and Improvements	155,000.00	155,000.00	0.00	0.00	0.00	155,000.00	0.0
ROSSMOOR PARK		263,000.00	263,000.00	24,357.18	12,375.53	0.00	238,642.82	9.3
Dept: 40 MONTECITO CENTER								
5018	Janitorial Supplies	6,000.00	6,000.00	1,647.81	258.42	0.00	4,352.19	27.5
5022	Utilities	2,000.00	2,000.00	277.15	157.40	0.00	1,722.85	13.9
5023	Water	2,250.00	2,250.00	344.67	0.00	0.00	1,905.33	15.3
5025	SECURED PROP TAX	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
5030	Vehicle Maintenance	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5032	Building & Grounds-Maintenance	8,000.00	8,000.00	350.00	0.00	0.00	7,650.00	4.4
5034	Alarm Systems	650.00	650.00	0.00	0.00	0.00	650.00	0.0
5045	Miscellaneous Expenditures	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5052	Minor Facility Repairs	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5655	Landscape Maintenance	3,000.00	3,000.00	501.37	260.45	0.00	2,498.63	16.7
MONTECITO CENTER		24,400.00	24,400.00	3,121.00	676.27	0.00	21,279.00	12.8
Dept: 50 RUSH PARK								
5018	Janitorial Supplies	6,000.00	6,000.00	1,648.60	259.20	0.00	4,351.40	27.5
5022	Utilities	23,000.00	23,000.00	4,224.67	2,647.92	0.00	18,775.33	18.4
5023	Water	42,000.00	42,000.00	5,616.75	1,063.82	0.00	36,383.25	13.4
5025	SECURED PROP TAX	4,200.00	4,200.00	0.00	0.00	0.00	4,200.00	0.0
5030	Vehicle Maintenance	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
5032	Building & Grounds-Maintenance	40,000.00	40,000.00	3,027.56	2,387.81	0.00	36,972.44	7.6
5034	Alarm Systems	800.00	800.00	0.00	0.00	0.00	800.00	0.0
5045	Miscellaneous Expenditures	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5051	Equipment Rental	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5052	Minor Facility Repairs	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5655	Landscape Maintenance	2,700.00	2,700.00	4,512.37	2,344.07	0.00	22,487.63	16.7
6005	Buildings and Improvements	0.00	0.00	6,629.00	6,629.00	0.00	-6,629.00	0.0
6010	Equipment	0.00	0.00	1,416.00	1,416.00	0.00	-1,416.00	0.0
RUSH PARK		121,200.00	145,500.00	27,074.95	16,767.82	0.00	118,425.05	18.6
Dept: 60 STREET LIGHTING								
5650	Lighting and Maintenance	100,000.00	100,000.00	17,206.14	8,632.57	0.00	82,793.86	17.2
STREET LIGHTING		100,000.00	100,000.00	17,206.14	8,632.57	0.00	82,793.86	17.2
Dept: 65 ROSSMOOR WALL								
5032	Building & Grounds-Maintenance	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
ROSSMOOR WALL		1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
Dept: 70 STREET SWEEPING								
5642	Street Sweeping	65,000.00	65,000.00	10,117.54	4,971.33	0.00	54,882.46	15.6
STREET SWEEPING		65,000.00	65,000.00	10,117.54	4,971.33	0.00	54,882.46	15.6
Dept: 80 PARKWAY TREES								

REVENUE/EXPENDITURE REPORT

Rossmoor Community

For the Period: 7/1/2021 to 8/31/2021	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND							
Expenditures							
Dept: 80 PARKWAY TREES							
5017 Community Events	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	0.0
5656 Tree Trimming	120,500.00	120,500.00	7,551.00	6,735.00	0.00	112,949.00	6.3
5660 TREE REMOVAL	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
6015 Trees	0.00	0.00	2,276.00	0.00	0.00	-2,276.00	0.0
PARKWAY TREES	125,000.00	125,000.00	9,827.00	6,735.00	0.00	115,173.00	7.9
Dept: 90 MINI-PARKS AND MEDIANS							
5022 Utilities	500.00	500.00	74.85	44.58	0.00	425.15	15.0
5023 Water	6,000.00	6,000.00	1,712.05	963.99	0.00	4,287.95	28.5
5032 Building & Grounds-Maintenance	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.0
5045 Miscellaneous Expenditures	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5051 Equipment Rental	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5052 Minor Facility Repairs	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5655 Landscape Maintenance	3,000.00	3,000.00	501.39	260.46	0.00	2,498.61	16.7
6015 Trees	45,000.00	45,000.00	0.00	0.00	0.00	45,000.00	0.0
MINI-PARKS AND MEDIANS	56,800.00	56,800.00	2,288.29	1,269.03	0.00	54,511.71	4.0
Expenditures	1,753,600.00	1,777,900.00	236,053.06	118,183.68	0.00	1,541,646.94	13.3
Net Effect for GENERAL FUND	142,300.00	118,000.00	-195,268.25	-92,486.87	0.00	313,268.25	-165.6
Change in Fund Balance:			-195,268.25				
Grand Total Net Effect:	142,300.00	118,000.00	-195,268.25	-92,486.87	0.00	313,268.25	

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM G-1

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: RESOLUTION NO. 21-10-12-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S REJECTION OF GOVERNMENT CLAIM

RECOMMENDATION

Approve by roll call vote, Resolution No. 21-10-12-01 by reading the title only and waiving further reading as follows:

A RESOLUTION OF THE BOARD OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S
REJECTION OF GOVERNMENT CLAIM

BACKGROUND

A claim requesting car window replacement has been filed by Toni Rae for damage caused by a Rossmoor Community Services District (RCSD) tree that fell at Rossmoor Park. This claim was forwarded to California Joint Powers Insurance Authority (CJPIA) who provides insurance for the District. Through CJPIA's claims administration, the District was advised to reject this claim.

The attached Resolution No. 21-10-12-01 formally rejects the tort claim. Further action on this matter will be conducted in accordance with established liability claim procedures as recommended by CJPIA. By rejection of this claim, the matter will be turned back over to CJPIA for their decision on whether or not to pay the claim.

ATTACHMENTS

1. Resolution No. 21-10-12-01 Rejection of Government Claim
2. Claim dated September 23, 2021
3. Notice of Claim Rejection dated September 28, 2021 (Carl Warren & Company for CJPIA)

RESOLUTION 21-10-12-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT'S REJECTION OF GOVERNMENT CLAIM

WHEREAS, a claim for monetary damages (Claim) was presented by Toni Rae dated September 23, 2021 against the Rossmoor Community Services for property damages; and

WHEREAS, that the Board of Directors of the Rossmoor Community Services District has timely considered by Claim filed by Toni Rae.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Rossmoor Community Services District has concluded that the Claim be rejected in its entirety.

BE IT FURTHER RESOLVED that the District's General Manager is authorized to give notice to Toni Rae of this Board's decision to reject in its entirety, the Claim, and further advise that said claimant has six (6) months from the date the rejection is deposited in the mail to file a court action on the Claim. Such notice, together with a copy of this Resolution, shall be served upon Toni Rae on or before October 22, 2021.

PASSED AND ADOPTED this 12th day of October 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

BOARD OF DIRECTORS
ROSSMOOR COMMUNITY SERVICES DISTRICT

Jeffrey Barke, President

ATTEST:

Joe Mendoza, Secretary
Rossmoor Community Services District

ROSSMOOR COMMUNITY SERVICES DISTRICT

CLAIM FORM

(Please Type or Print)

CLAIM AGAINST ROSSMOOR COMMUNITY SERVICES DISTRICT

Claimant's name: Toni Rae 951-553-059 DOB: ~~XXXXXXXXXX~~

Claimant's address: 5132 Antietam Ave.

Address where notices about claim are to be sent, if different from above: _____

Date of incident/accident: Aug 23.

Date injuries, damages, or losses were discovered: Aug 23.

Location of incident/accident: Rossmore park

What did entity or employee do to cause this loss, damage, or injury?
a tree (giant) fell
(Use back of this form or separate sheet if necessary to answer this question in detail.)

What are the names of the entity's employees who caused this injury, damage, or loss (if known)? _____

What specific injuries, damages, or losses did claimant receive?
damage to windshield.
(Use back of this form or separate sheet if necessary to answer this question in detail.)

What amount of money is claimant seeking or, if the amount is in excess of \$10,000, which is the appropriate court of jurisdiction. Note: If Superior and Municipal Courts are consolidated, you must represent whether it is a "limited civil case" [see Government Code 910(f)]
window replacement.

How was this amount calculated (please itemize)? _____
(Use back of this form or separate sheet if necessary to answer this question in detail.)

Have you filed a claim with you insurance carrier? Yes _____ No


Date Signed: Oct 28, 21 Signature: Toni Rae

If signed by representative:
Representative's Name _____ Address _____
Telephone # _____
Relationship to Claimant _____

RECEIVED
SEP 25 2021



CARL WARREN & COMPANY
Claims Management and Solutions

A  **VENBROOK** Company

9/28/2021

TO: Rossmoor Community Service District

ATTENTION: Jessica Verduzco

RE: Claim : Toni Rae V. Rossmoor-CSD
 Claimant : Toni Rae
 Member : Rossmoor Community Service District
 Date Rec'd by Mbr : 09/23/2021
 Date of Event : 08/23/2021
 CW File Number : 3020606 JBM

Please allow this correspondence to acknowledge receipt of the captioned claim.
 Please take the following action:

- CLAIM REJECTION: *Send a standard rejection letter to the claimant*

Please include a proof of mailing with your rejection notice to the claimant. Please provide us with a copy of the Notice of Rejection and copy of Proof of Mailing. If you have any questions feel free to contact the assigned adjuster or the undersigned claims specialist.

Very Truly Yours,
Janice Baluyut

Janice Baluyut
 Claims Examiner

Carl Warren & Company, LLC | A Venbrook Company

Direct: 657.622.4326

Email: JBaluyut@CarlWarren.com

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM G-2

Date: October 12, 2021

To: Honorable Board of Directors

From: General Manager Joe Mendoza
General Counsel Tarquin Preziosi

Subject: RESOLUTION NO. 21-10-12-02 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT TO CONTINUE CONDUCTING MEETINGS OF THE DISTRICT BOARD AND COMMITTEES REMOTELY AS NEEDED DUE TO HEALTH AND SAFETY CONCERNS FOR THE PUBLIC

RECOMMENDATION

Approve by roll call vote, Resolution No. 21-10-12-02 by reading the title only and waiving further reading as follows:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT TO CONTINUE CONDUCTING MEETINGS OF THE DISTRICT BOARD AND COMMITTEES REMOTELY AS NEEDED DUE TO HEALTH AND SAFETY CONCERNS FOR THE PUBLIC

BACKGROUND

On March 4, 2020, Governor Newsom declared a State of Emergency. That declaration is still in effect. Since March 12, 2020, Executive Orders from the Governor have relaxed various Brown Act meeting requirements to allow remote meetings and to temporarily suspended the Brown Act provisions requiring the physical presence of members at the public meetings. The most recent extension of that authorization expired September 30, 2021. On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20, which suspended certain provisions of the Ralph M. Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means. Additionally, the State implemented a shelter-in-place order, requiring all non-essential personnel to work from home. The RCSD initially implemented teleconference meetings until in-person meetings with limited capacity were reintroduced. In addition, a hybrid option was available for those who preferred to participate remotely in meeting by using Zoom technology for Board and Committee meetings. The usage of Zoom for hybrid public meetings has allowed the District to ensure the public's continued access to meetings while also ensuring the public's, members, and employees' safety.

On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which among other things, rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for agencies to transition back to public meetings pursuant to the Brown Act.

On September 17, 2021 the Governor signed into law AB 361 which allows local legislative bodies to continue to meet remotely after the October 1, 2021 deadline. A local agency will be allowed to continue to meet remotely when:

- The local agency holds a meeting during a declared state of emergency;
- State or local health officials have imposed or recommended measures to promote social distancing; and
- Legislative bodies declare the need to meet remotely due to present risks to the health or safety of attendees.

Given the ongoing nature of the pandemic we need to remain flexible if conditions worsen, especially with the upcoming holiday season and the onset of the delta variant. The RCSD meets the requirements of AB 361 to continue holding meetings remotely in order to ensure the health and safety of the public and its employees:

- The state of emergency continues to directly impact the ability of the members of the RCSD's legislative bodies to meet safely in person; and
- Federal, State or local officials continue to impose or recommend measures to promote social distancing to mitigate the spread of Covid-19.

Both the California Department of Public Health and the Orange County Health Officer have issued recommendations that members of vulnerable populations (such as older adults and those persons with an elevated risk due to certain medical conditions) continue to practice social distancing. The RCSD cannot ensure social distancing requirements are always met inside the Rush Park Auditorium and/or Conference Rooms where the RCSD Board of Directors and Committees may meet, making it difficult for members of these bodies, RCSD staff, and members of the public to consistently socially distance from each other and take other required precautions.

Pursuant to AB 361, the RCSD Board of Directors will need to declare every 30 days that the RCSD's legislative bodies must continue to meet remotely in order to ensure the health and safety of the public. Staff recommends that the RCSD Board of Directors adopt the proposed resolution making the required findings that the RCSD Board of Directors and Committee meetings can meet remotely pursuant to the requirements of AB 361.

ATTACHMENTS

1. Resolution No. 21-10-12-02

RESOLUTION 21-10-12-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSSMOOR COMMUNITY SERVICES DISTRICT TO CONTINUE CONDUCTING MEETINGS OF THE DISTRICT BOARD AND COMMITTEES REMOTELY AS NEEDED DUE TO HEALTH AND SAFETY CONCERNS FOR THE PUBLIC

WHEREAS, on March 4, 2020, pursuant to California Gov. Code Section 8625, the Governor declared a state of emergency as a result of the COVID-19 pandemic (the "Emergency");

WHEREAS, on September 17, 2021, Governor Newsom signed AB 361, which bill went into immediate effect as urgency legislation;

WHEREAS, AB 361 added subsection (e) to Section 54953 of the California Gov. Code to authorize legislative bodies to conduct remote meetings provided the legislative body makes specified findings;

WHEREAS, state or local officials continue to impose or recommend measures to promote social distancing;

WHEREAS, according to stand and local officials social distancing measures decrease the chance of spread of COVID-19; and

WHEREAS, it is appropriate for the Rossmoor Community Services District to make the findings specified in subsection (e)(1) of section 54953, to thereby authorize the Board of Directors and committees and/or other legislative body of the Rossmoor Community Services District to meet remotely if necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Rossmoor Community Services District that it hereby finds that as a result of the Emergency, if meeting in person would present imminent risks to the health or safety of attendees, meetings would be held remotely.

PASSED AND ADOPTED this 12th day of October 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

BOARD OF DIRECTORS
ROSSMOOR COMMUNITY SERVICES DISTRICT

Jeffrey Barke, President

ATTEST:

Joe Mendoza, Secretary
Rossmoor Community Services District

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM H-1

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: RENEWAL OF ROSSMOOR COMMUNITY SERVICES DISTRICT PROFESSIONAL SERVICES AGREEMENT FOR HEARING OFFICER SERVICES WITH MICHAEL EUGENE RANESES

RECOMMENDATION

The Rossmoor Community Services District (RCSD) Organizational Ad Hoc Committee recommends that the RCSD Board of Directors:

Renew/extend the Professional Services Agreement for Hearing Officer Services for the RCSD with Michael Eugene Raneses, effective November 10, 2021, for a term of one year ending on November 9, 2022, with the option to extend by mutual written agreement of the District and Michael Eugene Raneses for a maximum of three additional one-year extensions.

INFORMATION

The RCSD entered into a Professional Services Agreement for Hearing Officer services with Michael Eugene Raneses effective November 10, 2020. There have been a number of tree hearings that Mr. Raneses has presided over. He has represented the District well, and provided civil citation hearing services in a professional manner. As the Hearing Officer, he follows up with the parties involved in accordance with sound professional practices. This has been very helpful to the District because it provides a neutral authority to oversee the hearings and make the final determination.

Mr. Raneses has indicated that he would like to extend the term of the Professional Services Agreement with the RCSD for one year. He is not requesting any change in the rate currently being charged: \$100 per hour; annual compensation not to exceed \$5,000. Mr. Raneses was paid \$1000 last year (November 2020 through June 30, 2021).

On August 25, 2021, the RCSD Organizational Ad Hoc Committee (Directors DeMarco and Rips) met to review Mr. Raneses Professional Services Agreement and his request to extend the term of the agreement for one year, beginning November 10, 2021 through November 9, 2022. The Committee recommended forwarding the Professional Services Agreement to the RCSD Board of Directors for approval of a one year extension.

Should the District approve the extension of Mr. Raneses' Professional Services Agreement, the General Manager will send a letter indicating the agreement will be extended for the

term of one year on the same terms and conditions. Upon acceptance, the letter will be executed by Mr. Raneses and the General Manager.

FISCAL IMPACT

It is not anticipated that there will not be any fiscal impact for this item. The fines collected should offset the cost of the Hearing Officer.

ATTACHMENTS

1. Professional Services Agreement for Hearing Officer Services with Michael Eugene Raneses 2020-2021
2. Draft letter to extend Professional Services Agreement with Michael Raneses

**ROSSMOOR COMMUNITY SERVICES DISTRICT
PROFESSIONAL SERVICES AGREEMENT FOR HEARING OFFICER SERVICES
WITH MICHAEL EUGENE RANESES
(2020-2021)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 10th day of November, 2020 ("Effective Date") by and between the ROSSMOOR COMMUNITY SERVICES DISTRICT, a public agency ("District") and MICHAEL EUGENE RANESES, an individual ("Consultant").

WITNESSETH:

A. WHEREAS, District proposes to utilize the services of Consultant as an independent contractor to provide civil citation hearing officer services, as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, District and Consultant desire to contract for the specific services described in Exhibit A and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of District has a financial interest within the provisions of sections 1090-1092 of the California Government Code in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in the Scope of Work, attached hereto as Exhibit A and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise District of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of District. Consultant agrees to perform all work to the complete satisfaction of the District. Evaluations of the work will be done by the District

Manager or his or her designee. If the quality of work is not satisfactory, District in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including but not limited to those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; Workers' Compensation insurance and safety in employment; and all other federal, state and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless District from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against District for or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in nor permit its agents to engage in discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that District may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of District. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of District. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by District. District shall grant such authorization if disclosure is required by law.

All District data shall be returned to District upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid an hourly rate of one hundred dollars (\$100.00) per hour. Consultant's annual compensation shall not exceed five thousand dollars (\$5,000.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the District Manager or designee, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to the District for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to District's sole satisfaction. District shall pay Consultant's invoice within forty-five (45) days from the date District receives said invoice. Each invoice shall describe in detail the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to District or its Project Manager for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. Unless otherwise agreed to in writing by the parties, the professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for

a period of one (1) year, ending on November 10, 2021, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. This Agreement may be extended by four (4) additional one (1) year periods upon mutual written agreement of both parties.

4.2. Notice of Termination. The District reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the District.

4.3. Compensation. In the event of termination, District shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of District's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the District or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the District within ten (10) days of delivery of termination notice to Consultant, at no cost to District. Any use of uncompleted documents without specific written authorization from Consultant shall be at District's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated A, Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by District:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than one million dollars (\$1,000,000.00) combined single limits per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Automobile liability for owned vehicles, hired, and non-owned vehicles for bodily injury and property damage.

- (c) Workers' Compensation insurance as required by the State of California. Consultant agrees to waive and to obtain endorsements from its Workers' Compensation insurer waiving subrogation rights under its Workers' Compensation insurance policy against the District, its officers, agents, employees, and volunteers arising from work performed by Consultant for the District and to require each of its subcontractors, if any, to do likewise under their Workers' Compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than one million dollars (\$1,000,000.00) combined single limits per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain said E&O liability insurance during the life of this Agreement and for three (3) years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The Rossmoor Community Services District and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the District; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Said policy shall not terminate, be suspended or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to District."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as it respects the Rossmoor Community Services District, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the Rossmoor Community Services District shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Rossmoor Community Services District, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self-Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by District. No policy of insurance issued as to which the District is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to District certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by District, prior to performing any services under this Agreement.

5.5. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The District's General Manager or his or her designee shall be the representative of District for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the District, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. Unless otherwise designated by District, the District General Manager or his or her designee shall be the Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with District during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by District.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) forty-eight (48) hours after deposit in the U.S. Mail as reflected by the official U.S. postmark

If such communication is sent through regular United States mail.

IF TO CONSULTANT: Michael Eugene Raneses 2409 Mira Monte Court Tustin, CA 92782 Tel: (714) 287-4999	IF TO DISTRICT: Rossmoor Community Services District Attn: Joe Mendoza, General Manager 3001 Blume Dr. Rossmoor, CA 90814 COURTESY COPY TO: Jones & Mayer Attn: Tarquin Preziosi, General Counsel 3777 N. Harbor Blvd. Fullerton, CA 92835
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6.5. [intentionally deleted].

6.6. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.7. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

6.8. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without District's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of District's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the District, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the District, its elected officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the District, its elected officials, officers, agents and employees based upon the work performed by the

Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the District for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the District. This provision shall supersede and replace all other indemnity provisions contained either in the District's specifications or Consultant's Proposal, which shall be of no force and effect.

6.10. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of District. Consultant shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise act on behalf of District as an agent. Neither District nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of District. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold District harmless from any and all taxes, assessments, penalties, and interest asserted against District by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold District harmless from any failure of Consultant to comply with the applicable Worker's Compensation laws. District shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to District from Consultant as a result of Consultant's failure to promptly pay to District any reimbursement or indemnification arising under this paragraph.

6.11. [intentionally deleted.]

6.12. Cooperation. In the event any claim or action is brought against District relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which District might require.

6.13. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of District. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of District. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of District and without liability or legal exposure to Consultant. District shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from District's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to District any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by District or its authorized representative, at no additional cost to the District.

6.14. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to District may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 et seq.). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in California Government Code section 6254.7, and of which Consultant informs District of such trade secret. The District will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The District shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the court.

6.15. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, et seq.) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the District Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.16. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the District's representative, regarding any services rendered under this Agreement at no additional cost to District. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to District, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of District and to participate in any meeting required with regard to the correction.

6.17. Prohibited Employment. Consultant will not employ any regular employee of District while this Agreement is in effect.

6.18. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.19. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except

as expressly provided herein.

6.20. Binding Effect. This Agreement binds and benefits the parties and their respective permitted successors and assigns.

6.21. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of District and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.22. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.23. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.24. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.25. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.26. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.28. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CONSULTANT

Michael Raneses
Michael Eugene Raneses

Date: November 12, 2020

~~858-88-8840~~
Social Security or Taxpayer ID Number

ROSSMOOR COMMUNITY SERVICES DISTRICT

M. Maynard
Michael Maynard
Board President

Date: 11.13.2020

APPROVED AS TO FORM FOR DISTRICT

Tarquin Preziosi
Tarquin Preziosi
General Counsel

Date: November 13, 2020

EXHIBIT A

SCOPE OF WORK - HEARING OFFICER

Introduction

A Hearing Officer is responsible for ensuring due process by performing quasi-judicial duties by presiding over civil citations. The District's powers involve issuing civil citations to encourage compliance with the provisions of specified District Policies. The Hearing Officer is responsible for conducting administrative reviews requested by person(s) receiving a civil citation. After considering all the evidence and testimony submitted at the administrative review, the Hearing Officer shall issue a written decision to uphold or dismiss the citation.

General Scope of Work

In accordance with Policy No. 3098, Administrative Citations, the Hearing Officer's duties include:

- Performing professional level work as an independent, unbiased contractor to the District.
- Conducting hearings for administrative reviews of civil citations that are contested by the citee on a date at least ten (10) days but not more than thirty (30) days after the citee requests a hearing, and upon at least 10 days' written notice to the citee. The Hearing Officer also conducts hardship hearings to consider a waiver of civil citation fees.
- Scheduling hearings with the District, which hearing duration will generally vary from one (1) to three (3) hours.
- Reviewing pertinent public records on the citation, citation records and/or reports reviewed from the District staff (which may include consultants), including information showing all fine deposits and fee waivers granted.
- Receiving testimony from the citee and reviewing evidence relevant to financial hardship and the Policy violation specified in the citation.
- Receiving evidence on the citation, and any other reports prepared by the District staff concerning the Policy violation and any attempted correction of the violation if applicable.
- Receiving testimony from the District staff if they are present and if requested.
- Continuing a hearing if a request is made by the citee, or the citee's representative, or the representative of the District, upon a showing of good cause. If the request for continuance is denied, the hearing shall proceed as scheduled.
- After considering all the evidence and testimony submitted at the administrative review, issuing a Notice of Decision to uphold the citation or cancel it based upon a conclusion of whether or not a violation occurred for which the citee was a responsible person. The Hearing Officer has no discretion or authority to reduce or modify a fine.
- In the event of a conflict between Policy No. 3098 and this Scope of Work, Policy No.3098 shall control the interpretation of this Scope of Work.



ROSSMOOR COMMUNITY SERVICES DISTRICT
3001 BLUME DRIVE, ROSSMOOR, CA 90720 / (562) 430-3707 / FAX (562) 431-3710

DRAFT

October 13, 2021

Mr. Michael Raneses
Address
City, CA Zip

Dear Mr. Raneses:

Thank you for providing Hearing Officer Services to the Rossmoor Community Services District (RCSD) from November 2020 to the present. At their regular Board meeting on October 12, 2021, the RCSD Board of Directors approved the extension of your Professional Services Agreement (PSA) for one year – November 10, 2021 through November 9, 2022.

The PSA that was executed in November 2020 between the District and you provides the option to extend the agreement by mutual written agreement of the District and yourself. Please sign below and return this letter to me. Upon receipt, we will complete the renewal process and send you a fully executed copy of this letter.

Thank you for your service to the District. We appreciate your assistance and the professional manner in which you perform your duties.

Sincerely,

Joe R. Mendoza
General Manager

**Extension of Professional Services Agreement for Hearing Officer Services between
the Rossmoor Community Services District and Michael Eugene Raneses
November 10, 2021 – November 9, 2022**

Accepted by:

Michael Eugene Raneses

Joe R. Mendoza, General Manager
Rossmoor Community Services District

Date: _____

Date: _____

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM H-2

Date: October 12, 2021

To: Honorable Board of Directors

From: General Manager Joe Mendoza

Subject: RENEWAL OF ROSSMOOR COMMUNITY SERVICES DISTRICT PROFESSIONAL SERVICES AGREEMENT FOR GENERAL FINANCIAL AND ACCOUNTING ADVISORY SERVICES WITH THE PUN GROUP LLP

RECOMMENDATION

The Rossmoor Community Services District (RCSD) Organizational Ad Hoc Committee recommends that the RCSD Board of Directors:

Enter into a renewed Professional Services Agreement (PSA) with The Pun Group LLP for general financial and accounting advisory services for the RCSD for one year, from October 12, 2021 through October 11, 2022.

INFORMATION

In October 2020, the RCSD Board of Directors authorized the reorganization of the Accounting Division. At that time, direction was given to the General Manager to retain the services of a financial consultant on an interim basis to begin looking at the restructuring of the accounting and financial functions of the District. As a result, it was determined that it would be most cost effective for the District for the general financial and accounting functions to be provided by a consultant through a Professional Services Agreement, rather than by a full-time District employee. Therefore, the RCSD entered into a Professional Services Agreement for general financial and accounting advisory services with The Pun Group LLP on December 3, 2020, at a rate of \$5,000 per month.

To date, The Pun Group has initiated the restructuring of the Accounting Division, assisted in preparing the FY 2021-2022 budget, and is working with the Auditor for the District's annual audit. The Pun Group also oversees the cash collections and recording of revenues, processes accounts payable, performs bank reconciliations, maintains the general ledger and produces financial reports for Board purposes. The Pun Group is also researching software for a new integrated accounting system.

Mr. Pun indicated that he would like to extend the term of the Professional Services Agreement with the RCSD for one year, at the same rate with the addition of a Cost of Living Adjustment (COLA) of 3 percent (\$150 per month/\$1800 annually). The RCSD Organizational Ad Hoc Committee (Directors DeMarco and Rips) met on August 25, 2021 and reviewed The Pun Group's Professional Services Agreement and request to extend the agreement with the District. The Committee recommended the extension of the PSA with The Pun Group LLP for one year, with no COLA or adjustment to compensation;

and directed that the item be forwarded to the RCSD Board of Directors for approval at a regular Board meeting.

It is acknowledged that it has been a difficult year in which The Pun Group has had to work with an old accounting system and methodology, while they have tried to reconcile the District's accounting operation and work with missing information and documents. The General Manager has been working closely with The Pun Group during this challenging transition. It is anticipated that should the contract with The Pun Group be renewed, the next year will provide more time to observe the progress and effectiveness of services.

The General Manager and Mr. Pun have had discussion regarding accuracy, transparency, and accountability being at the forefront of our processes. As previously noted, this past year has been a challenging time as the District experienced the effects of the COVID-19 office closure and staff working remotely for a period of time, reduced staff availability due to pandemic leave options and quarantine requirements, etc. This resulted in delays for many of the District's overall goals and objectives, including the aggressive plans for new a new integrated accounting system and improved efficiencies in the accounting area. While we have been working towards these objectives, we are disappointed things have not moved faster; staff and Mr. Pun are working together to continue to move toward greater efficiency and will keep the Board informed of the progress.

It should be noted that under the terms of this PSA, the District may terminate the whole or any part of the agreement at any time, with written notice at least seven days before the effective date of such termination. In turn, the Contractor may terminate the Agreement by providing written notice to the District at least 30 days before the effective date of such termination.

FISCAL IMPACT

The FY 2021-2022 budget includes \$60,000 for The Pun Group. Therefore, there is no fiscal impact by extending the contract at the same rate.

ATTACHMENTS

1. Current Professional Services Agreement for General Financial and Accounting Advisory Services with The Pun Group LLP 2020
2. Proposed Professional Services Agreement for General Financial and Accounting Advisory Services with The Pun Group LLP 2021-2022

**ROSSMOOR COMMUNITY SERVICES DISTRICT
PROFESSIONAL SERVICES AGREEMENT FOR GENERAL FINANCIAL AND
ACCOUNTING ADVISORY SERVICES
WITH THE PUN GROUP LLP
2020**

This Professional Services Agreement (“Agreement”) is made and entered into as of this 3rd day of December, 2020, by and between the Rossmoor Community Services District, a public agency (“District”), and The Pun Group, LLP a Limited Liability Partnership (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

1. RECITALS.

1.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain services required by the District on the terms and conditions set forth in this Agreement. Contractor represents and warrants that it is experienced in providing such services, is licensed in the State of California, and is familiar with the operation of District.

1.2 Project.

District desires to engage Contractor to render general financial and accounting advisory services to the District (“Project”) as set forth in this Agreement.

1.3 Effective Date.

The Parties acknowledge that Contractor commenced providing services on October 8, 2020 (the “Effective Date”) and intend and desire that this Agreement be effective retroactive to the Effective Date to encompass services provided since the Effective Date and all other services to be provided pursuant to this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

2. SCOPE OF SERVICES AND TERM.

2.1 General Scope of Services. Contractor promises and agrees to furnish to the District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A,” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. In the event of a conflict or

ambiguity between the provisions of this Agreement and any of the attached exhibits, the provisions of this Agreement shall be controlling.

2.2 Term. The term of this Agreement shall be for a period not exceeding one year from Effective Date, unless earlier terminated as provided herein. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3. RESPONSIBILITIES OF CONTRACTOR.

3.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. District retains Contractor on an independent contractor basis and not as an employee. Contractor shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise act on behalf of District as an agent. Neither District nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Agreement. Contractor shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of District. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of District and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement and in accordance with the schedule of services as incorporated into Exhibit "A". Contractor represents and warrants that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the schedule, District shall respond to Contractor's submittals in a timely manner. Upon request of District, Contractor shall provide a more detailed schedule of anticipated performance to meet the schedule of services.

3.3 Conformance to Applicable Requirements and Coordination of Services. All work prepared by Contractor shall be subject to the approval of District. Contractor agrees to work closely with District staff in the performance of Services and shall be available to District's staff, Contractors and other staff at all reasonable times.

3.4 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or

the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.5 Responsibility for Errors. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the District's Representative, regarding any services rendered under this Agreement at no additional cost to District. In the event that an error or omission attributable to Contractor occurs, then Contractor shall, at no cost to District, provide all necessary design drawings, estimates and other professional services necessary to rectify and correct the matter to the sole satisfaction of District and to participate in any meeting required with regard to the correction.

3.6 Records and Audits. Records of Contractor's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to District or its Representative for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

3.7 Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of District. Contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of District. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of District and without liability or legal exposure to Contractor. District shall indemnify and hold harmless Contractor from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from District's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Contractor. Contractor shall deliver to District any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by District or its authorized representative, at no additional cost to the District.

3.8 Documents. In the event of termination of this Agreement, all documents prepared by Contractor in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the District within ten (10) days of delivery of termination notice to Contractor, at no cost to District. Any use of uncompleted documents without specific written authorization from Contractor shall be at District's sole risk and without liability or legal expense to Contractor.

3.9 Insurance.

3.9.1 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Workers' Compensation*; and (3) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto).

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: A policy of comprehensive general liability insurance written on a per occurrence basis in an amount not less than either (i) a combined single limit of \$2,000,000.00 or (ii) bodily injury limits of \$1,000,000.00 per person, \$2,000,000.00 per occurrence and \$2,000,000.00 products and completed operations and property damage limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate; (2) *Workers' Compensation Insurance*: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the District against any loss, claim, or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or service contemplated in this Agreement; and (3) *Automobile Liability*: a policy of comprehensive vehicle liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of \$1,000,000.00 per person and \$2,000,000.00 per occurrence and property damage liability limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate to cover the operation of all automobiles, trucks, street sweeping vehicles or other motorized vehicles utilized by Contractor. Said policy shall include coverage for owned, non-owned, leased and hired vehicles.

3.9.2 Insurance Provisions. All of the above policies of insurance shall be primary insurance and shall name the District, its officers, employees, volunteers and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the District, its officers, employees, volunteers and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or canceled without providing thirty (30) days prior written notice by registered mail to the District. In the event any said policies or insurance are canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section to the General Manager. No work or Services under this Agreement shall commence until the Contractor has provided the District with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the District. The Contractor agrees that the provisions of this Section shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or

persons for which the Contractor is otherwise responsible. The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the District due to unique circumstances.

4. FEES AND PAYMENTS.

4.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A," attached hereto and incorporated herein by reference. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

4.2 Payment of Compensation. Contractor shall submit to District in the form approved by District, a monthly statement for Services rendered prior to the date of the statement. District shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

4.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by District.

4.4 Extra Work. At any time during the term of this Agreement, District may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from District's Representative. Compensation for Extra work shall be subject to the hourly rates set forth in Consultant's Proposal for Financial and Accounting Services, dated September 22, 2020. In no event shall the total cost for Extra Work exceed \$5,000.00 without the prior approval of the Board of Directors.

4.5 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 16000, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000.00 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. District shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities,

costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

5. GENERAL PROVISIONS.

5.1 Termination of Agreement. District may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Contractor may terminate this Agreement solely for cause and shall do so by providing written notice to District of such termination, and specifying the date thereof, at least thirty (30) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to District, and Contractor shall be entitled to no further compensation.

5.2 Representatives. District's General Manager or his or her designee shall be the representative of District for purposes of this Agreement and may issue all consents, approvals, directives, or agreements on behalf of District called for by this Agreement. Contractor shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Contractor called for by this Agreement.

5.3 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective parties may provide in writing for this purpose:

Contractor: The Pun Group, LLP
200 E. Sandpointe Ave., Suite 600
Santa Ana, CA 92707
Attn: Kenneth H. Pun, Managing Partner
Ken.pun@pungroup.com

District: Rossmoor Community Services District
3001 Blume Dr.
Rossmoor, CA 90814
Attn: Joe Mendoza, General Manager
Jmendoza@rossmoor-csd.org

Such notices shall be deemed made when personally delivered or, when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

5.4 Public Records Act Disclosure. Contractor has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Contractor, or any of its subcontractors, pursuant to this Agreement and provided to District may be subject to public disclosure as required

by the California Public Records Act (California Government Code section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 6254.7, and of which Contractor informs District of such trade secret. District will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The District shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the court.

5.5 Conflict of Interest. Contractor and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this Agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Contractor and its officers, employees, associates and subcontractors shall not, without the prior written approval of the District's Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

5.6 Attorneys' Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in connection with such action.

5.7 Indemnification. Contractor agrees to defend, with counsel acceptable to District, indemnify, and hold free and harmless District, its elected officials, officers, agents and employees, at Contractor's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against District, its elected officials, officers, agents and employees arising out of the performance of Contractor, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by Contractor, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of Contractor, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against District, its elected officials, officers, agents and employees based upon the work performed by Contractor, its employees, and/or authorized subcontractors under this Agreement, whether or not Contractor, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, Contractor shall not be liable for the defense or indemnification of District for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of District. This provision shall supersede and replace all other indemnity provisions contained either in the District's specifications or Contractor's proposal, which shall be of no force and effect.

5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

5.9 Waiver. The delay or failure of either Party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

5.10 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

5.11 Prior Approval Required to Subcontract. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Contractor shall require each of its subcontractors to agree in writing to be bound by the provisions of this Agreement.

5.12 Non-Exclusive Agreement. Contractor acknowledges that District may enter into agreements with other contractors for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

5.13 Assignment. Contractor shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Contractor's interest in this Agreement without District's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of District's consent, no subletting or assignment shall release Contractor of Contractor's obligation to perform all other obligations to be performed by Contractor hereunder for the term of this Agreement.

5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

5.15 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue to be in full force and effect.

5.16 No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of District and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

5.17 Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate

description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

5.18 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the Parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

5.19 The Individuals Signing this Agreement. The individuals signing this Agreement represent and warrant that they have the right, power, and authorization to bind their respective entities to the terms of the Agreement.

5.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

5.21 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to any matter referenced herein and supersedes any and all other prior negotiations. As of the Effective Date of this Agreement, this Agreement shall supersede, and otherwise be controlling, over any and all provisions of any previous agreements, which shall be of no further force or effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.


[SIGNATURES FOLLOW ON NEXT PAGE]

ROSSMOOR COMMUNITY SERVICES DISTRICT

By: _____
Michael Maynard
Board President


Date: _____

THE PUN GROUP, LLP

By:  _____
Kenneth H. Pun
Managing Partner

Date: 12-2-2020

APPROVED AS TO FORM FOR DISTRICT

By:  _____
Tarquin Preziosi
General Counsel

Date: August 23, 2021

EXHIBIT "A"
Scope of Services

The Pun Group will perform all of the following activities on a monthly basis commencing on December 3, 2020 at the rate of \$5,000.00 per month:

1. Supervise District's employees in performing cash collections and recording revenues to RecDesk Software;
2. Process accounts payable on a bi-weekly basis;
3. Process payroll using ADP platform;
4. Prepare and post Journal Entries to the existing Fund Balance System;
5. Perform bank reconciliation on a monthly basis;
6. Maintain general ledger and produce financial reports for board purposes;
7. Assist the District in preparing FY 2021-2022 budget;
8. Perform year end closing and audit readiness for annual financial audit; and
9. Work with the District to find an integrated, all-in-one accounting software system that allows for a seamless workflow that results in finances that are always up-to-date, accurate and readily available.

The Pun Group has performed and/or will perform the following activities in connection with an initial evaluation of the District's accounting practices for a total of \$3,762.50 (21.5 hours at \$175/hour):

1. Work with staff to understand the current processes for cash receipts and cash disbursements;
2. Work with staff to understand how general ledger postings are done for cash receipts and cash disbursements;
3. Work with staff to understand the process for preparing monthly/quarterly financial reports and set a routine with deadlines;
4. Work with staff to evaluate the current process for refunds;
5. Evaluate, review and recommend any additions or deletions to the RCSD's policies and procedures; and
6. Work with the General Manager and the auditors (RAMS) to determine the most efficient staffing needs and best accounting practices to operate the RCSD's accounting division.

**ROSSMOOR COMMUNITY SERVICES DISTRICT
PROFESSIONAL SERVICES AGREEMENT FOR GENERAL FINANCIAL AND
ACCOUNTING ADVISORY SERVICES WITH THE PUN GROUP LLP
2021-2022**

This Professional Services Agreement (“Agreement”) is made and entered into as of this 12th day of October, 2021, by and between the Rossmoor Community Services District, a public agency (“District”), and The Pun Group, LLP a Limited Liability Partnership (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

1. RECITALS.

1.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain services required by the District on the terms and conditions set forth in this Agreement. Contractor represents and warrants that it is experienced in providing such services, is licensed in the State of California, and is familiar with the operation of District.

1.2 Project.

District desires to engage Contractor to render general financial and accounting advisory services to the District (“Project”) as set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

2. SCOPE OF SERVICES AND TERM.

2.1 General Scope of Services. Contractor promises and agrees to furnish to the District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A,” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. In the event of a conflict or ambiguity between the provisions of this Agreement and any of the attached exhibits, the provisions of this Agreement shall be controlling.

2.2 Term. The term of this Agreement shall be for a period not exceeding one year from October 12, 2021 (the “Effective Date”), unless earlier terminated as provided herein. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3. RESPONSIBILITIES OF CONTRACTOR.

3.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. District retains Contractor on an independent contractor basis and not as an employee. Contractor shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise act on behalf of District as an agent. Neither District nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Agreement. Contractor shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of District. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of District and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement and in accordance with the schedule of services as incorporated into Exhibit "A". Contractor represents and warrants that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the schedule, District shall respond to Contractor's submittals in a timely manner. Upon request of District, Contractor shall provide a more detailed schedule of anticipated performance to meet the schedule of services.

3.3 Conformance to Applicable Requirements and Coordination of Services. All work prepared by Contractor shall be subject to the approval of District. Contractor agrees to work closely with District staff in the performance of Services and shall be available to District's staff, Contractors and other staff at all reasonable times.

3.4 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.5 Responsibility for Errors. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the District's Representative, regarding any services rendered under this Agreement at no additional cost to District. In the event that an error or omission attributable to Contractor occurs, then Contractor shall, at no cost to District, provide all necessary design drawings, estimates and other professional services necessary to rectify and correct the matter to the sole satisfaction of District and to participate in any meeting required with regard to the correction.

3.6 Records and Audits. Records of Contractor's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to District or its Representative for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

3.7 Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of District. Contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of District. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of District and without liability or legal exposure to Contractor. District shall indemnify and hold harmless Contractor from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from District's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Contractor. Contractor shall deliver to District any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by District or its authorized representative, at no additional cost to the District.

3.8 Documents. In the event of termination of this Agreement, all documents prepared by Contractor in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the District within ten (10) days of delivery of termination notice to Contractor, at no cost to District. Any use of uncompleted documents without specific written authorization from Contractor shall be at District's sole risk and without liability or legal expense to Contractor.

3.9 Insurance.

3.9.1 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Workers' Compensation*; and (3) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto).

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: A policy of comprehensive general liability insurance written on a per occurrence basis in an amount not less than either (i) a combined single limit of \$2,000,000.00 or (ii) bodily injury limits of \$1,000,000.00 per person, \$2,000,000.00 per occurrence and \$2,000,000.00 products and completed operations and property damage limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate; (2) *Workers' Compensation Insurance*: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the District against any loss, claim, or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or service contemplated in this Agreement; and (3) *Automobile Liability*: a policy of comprehensive vehicle liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of \$1,000,000.00 per person and \$2,000,000.00 per occurrence and property damage liability limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate to cover the operation of all automobiles, trucks, street sweeping vehicles or other motorized vehicles utilized by Contractor. Said policy shall include coverage for owned, non-owned, leased and hired vehicles.

3.9.2 Insurance Provisions. All of the above policies of insurance shall be primary insurance and shall name the District, its officers, employees, volunteers and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the District, its officers, employees, volunteers and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or canceled without providing thirty (30) days prior written notice by registered mail to the District. In the event any said policies or insurance are canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section to the General Manager. No work or Services under this Agreement shall commence until the Contractor has provided the District with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the District. The Contractor agrees that the provisions of this Section shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible. The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the District due to unique circumstances.

4. FEES AND PAYMENTS.

4.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A," attached hereto and incorporated herein by reference. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

4.2 Payment of Compensation. Contractor shall submit to District in the form approved by District, a monthly statement for Services rendered prior to the date of the statement. District shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

4.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by District.

4.4 Extra Work. At any time during the term of this Agreement, District may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from District's Representative. Compensation for Extra work shall be subject to the hourly rates set forth in Consultant's Proposal for Financial and Accounting Services, dated September 22, 2020. In no event shall the cost for Extra Work exceed \$5,000.00 without the prior approval of the Board of Directors.

4.5 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 16000, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000.00 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. District shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

5. GENERAL PROVISIONS.

5.1 Termination of Agreement. District may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving

written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Contractor may terminate this Agreement solely for cause and shall do so by providing written notice to District of such termination, and specifying the date thereof, at least thirty (30) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to District, and Contractor shall be entitled to no further compensation.

5.2 Representatives. District's General Manager or his or her designee shall be the representative of District for purposes of this Agreement and may issue all consents, approvals, directives, or agreements on behalf of District called for by this Agreement. Contractor shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Contractor called for by this Agreement.

5.3 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

The Pun Group, LLP
200 E. Sandpointe Ave., Suite 600
Santa Ana, CA 92707
Attn: Kenneth H. Pun, Managing Partner
Ken.pun@pungroup.com

District:

Rossmoor Community Services District
3001 Blume Dr.
Rossmoor, CA 90814
Attn: Joe Mendoza, General Manager
Jmendoza@rossmoor-csd.org

Such notices shall be deemed made when personally delivered or, when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

5.4 Public Records Act Disclosure. Contractor has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Contractor, or any of its subcontractors, pursuant to this Agreement and provided to District may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 6254.7, and of which Contractor informs District of such trade secret. District will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The District shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the court.

5.5 Conflict of Interest. Contractor and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this Agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Contractor and its officers, employees, associates and subcontractors shall not, without the prior written approval of the District's Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

5.6 Attorneys' Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in connection with such action.

5.7 Indemnification. Contractor agrees to defend, with counsel acceptable to District, indemnify, and hold free and harmless District, its elected officials, officers, agents and employees, at Contractor's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against District, its elected officials, officers, agents and employees arising out of the performance of Contractor, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by Contractor, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of Contractor, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against District, its elected officials, officers, agents and employees based upon the work performed by Contractor, its employees, and/or authorized subcontractors under this Agreement, whether or not Contractor, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, Contractor shall not be liable for the defense or indemnification of District for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of District. This provision shall supersede and replace all other indemnity provisions contained either in the District's specifications or Contractor's proposal, which shall be of no force and effect.

5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

5.9 Waiver. The delay or failure of either Party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

5.10 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

5.11 Prior Approval Required to Subcontract. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Contractor shall require each of its subcontractors to agree in writing to be bound by the provisions of this Agreement.

5.12 Non-Exclusive Agreement. Contractor acknowledges that District may enter into agreements with other contractors for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

5.13 Assignment. Contractor shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Contractor's interest in this Agreement without District's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of District's consent, no subletting or assignment shall release Contractor of Contractor's obligation to perform all other obligations to be performed by Contractor hereunder for the term of this Agreement.

5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

5.15 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue to be in full force and effect.

5.16 No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of District and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

5.17 Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

5.18 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the Parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this

Agreement.

5.19 The Individuals Signing this Agreement. The individuals signing this Agreement represent and warrant that they have the right, power, and authorization to bind their respective entities to the terms of the Agreement.

5.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

5.21 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to any matter referenced herein and supersedes any and all other prior negotiations. As of the Effective Date of this Agreement, this Agreement shall supersede, and otherwise be controlling, over any and all provisions of any previous agreements, which shall be of no further force or effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

ROSSMOOR COMMUNITY SERVICES DISTRICT

By: _____ Date: _____
Jeffery Barke
Board President

THE PUN GROUP, LLP

By: _____ Date: _____
Kenneth H. Pun
Managing Partner

APPROVED AS TO FORM FOR DISTRICT

By: _____ Date: _____
Tarquin Preziosi
General Counsel

EXHIBIT "A"
Scope of Services

The Pun Group will perform all of the following activities on a monthly basis commencing on the Effective Date at the rate of \$5,000.00 per month:

1. Supervise District's employees in performing cash collections and recording revenues to RecDesk Software;
2. Process accounts payable on a bi-weekly basis;
3. Process payroll using ADP platform;
4. Prepare and post Journal Entries to the existing Fund Balance System;
5. Perform bank reconciliation on a monthly basis;
6. Maintain general ledger and produce financial reports for board purposes;
7. Assist the District in preparing FY 2021-2022 budget; and
8. Perform year end closing and audit readiness for annual financial audit.

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM H-3

Date: October 4, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Accountant Ken Pun
Auditor Brad Welebir
Subject: AUDIT COMMITTEE REPORT RE: FY 2020-2021 ANNUAL AUDIT

RECOMMENDATION

It is recommended that the Rossmoor Community Services District (RCSD) Board of Directors receive the report of the Audit Committee and approve the Final FY 2020-2021 Annual Audit.

INFORMATION

In accordance with Policy No. 3025, the Audit Committee (Directors Rips and Searles) met on October 4, 2021 with the District's Auditor, Brad Welebir from Rogers, Anderson, Malody & Scott LLP (RAMS), Accountant Ken Pun, and the General Manager, to review a draft of the District's FY 2020-2021 Annual Audit. A copy of the Audit Committee agenda and staff report (without attachments) is included for reference (Attachment 1).

The following information was provided to the Committee and discussed:

Financial Highlights

- For the FY 2020-2021 the combined fund balance increased \$156,945 from \$1,126,955 (refer to page 9 - sum of fund 10 and fund 40) to \$1,283,900.
- Total Revenues recognized was \$1,702,583 for FY 2020-2021 and \$1,653,574 for FY 2019-2020, an increase of \$49,009 compared to FY 2019-2020 and exceeded the adopted budget by \$23,088.
- Total Expenditures incurred was \$1,545,638 for FY 2020-2021 and \$1,535,358 for FY 2019-2020, an increase of \$10,280 compared to FY 2019-2020 and exceeded the adopted budget by \$52,303.
- During the FY 2020-2021, the District enacted a 20% furlough for the employees.
- During the FY 2020-2021, the District also incurred COVID-19 related expenses, including salaries for part-timers, PPE supplies and legal fees.

- In order to simplify the accounting, we closed Fund 40 and transferred the remaining balance \$47,349 to fund 10.
- In September 2020, the District also paid off the Special Assessment District Bonds, therefore, Fund 50, the fiduciary fund used to account for the resources to pay for the bond, is also closed as of June 30, 2021.

The Audit Committee received the Draft Audit Report, audited by RAMS, the District Auditor. The Committee reviewed the report in detail and voted to recommend RCSD Board approval of the FY 2020-2021 Audit Report at the regular RCSD Board of Directors meeting on October 12, 2021. Attachment 2 is the Final Audit Report.

The District's Auditor, Brad Welebir of RAMS, will present an overview of the Final Audit Report and answer any questions the Board may have.

ATTACHMENTS

1. Audit Committee Agenda and Staff Report for their October 4, 2021 meeting
2. Final Audit Report
3. Independent Auditor's Report Letter
4. Audit Information Letter
5. Policy No. 3025, Annual Financial Audit

AGENDA

ROSSMOOR COMMUNITY SERVICES DISTRICT

AUDIT COMMITTEE MEETING

Please be advised that all persons wishing to attend this meeting may do so in person or via Zoom. Join Zoom Meeting: <https://zoom.us/j/98120341211?pwd=NGtBQzdkbVpVa0lMdIZiVEhDRnlRUT09>
Enter Meeting ID: **981 2034 1211** and Passcode: **Rossmoor**

RUSH PARK
West Room
3021 Blume Drive
Rossmoor, California 90720

Monday, October 4, 2021

8:30 a.m.

A. ORGANIZATION

1. CALL TO ORDER: 8:30 a.m.
2. ROLL CALL: Directors Rips, Searles
3. PLEDGE OF ALLEGIANCE: Director Rips
4. PRESENTATIONS: None

B. PUBLIC FORUM

Any person may address the members of the Audit Committee at this time upon any subject within the jurisdiction of the Audit Committee of the Rossmoor Community Services District.

C. REGULAR CALENDAR

1. DISCUSSION WITH GENERAL MANAGER/DISTRICT AUDITOR REGARDING THE FY 2020-2021 ANNUAL AUDIT REPORT

D. ADJOURNMENT

CERTIFICATION OF POSTING

I hereby certify that the attached Agenda for the October 4, 2021, 8:30 a.m. meeting of the Rossmoor Community Services District Audit Committee was posted at least 48 hours prior to the time of the meeting.

ATTEST:

Joe Mendoza

09/30/2021

Date _____

JOE MENDOZA
General Manager

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM C-1

Date: October 4, 2021

To: Audit Committee
Director Jeffrey Rips
Director Nathan Searles

From: General Manager Joe Mendoza

Subject: DISCUSSION WITH GENERAL MANAGER/DISTRICT AUDITOR RE: FY 2020-2021 ANNUAL AUDIT REPORT

RECOMMENDATION

It is recommended that the Rossmoor Community Services District (RCSD) Audit Committee review and approve the FY 2020-2021 Annual Audit Report and forward the document to the RCSD Board of Directors for approval at their October 12, 2021 regular meeting.

INFORMATION

Your agenda package for this meeting includes the *Financial Statements and Independent Auditor's Report for the Year Ended June 30, 2021 (Attachment 1)*, audited by Rogers, Anderson, Malody & Scott LLP (RAMS), the District Auditor. Also included for your information is the *Financial Statements and Independent Auditor's Report for the Year Ended June 30, 2020 (Attachment 2)* for reference.

Financial Highlights

- For the FY 2020-2021 the combined fund balance increased \$156,945 from \$1,126,955 (refer to page 9 - sum of fund 10 and fund 40) to \$1,283,900.
- Total Revenues recognized was \$1,702,583 for FY 2020-2021 and \$1,653,574 for FY 2019-2020, an increase of \$49,009 compared to FY 2019-2020 and exceeded the adopted budget by \$23,088.
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- During the FY 2020-2021, the District enacted a 20% furlough for the employees.
- During the FY 2020-2021, the District also incurred COVID-19 related expenses, including salaries for part-timers, PPE supplies and legal fees.
- In order to simplify the accounting, we closed Fund 40 and transferred the remaining balance \$47,349 to fund 10.

- In September 2020, the District also paid off the Special Assessment District Bonds, therefore, Fund 50, the fiduciary fund used to account for the resources to pay for the bond, is also closed at June 30, 2021.

ATTACHMENTS

1. DRAFT - Rossmoor Community Services District Financial Statements and Independent Auditor's Report for the Year Ended June 30, 2021
2. Rossmoor Community Services District Financial Statements and Independent Auditor's Report for the Year Ended June 30, 2020

Rossmoor Community Services District

**Financial Statements
and
Independent Auditor's Report**

For the Year Ended

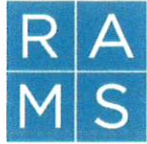
June 30, 2021

Rossmoor Community Services District

**Financial Statements with Independent Auditor's Report
June 30, 2021**

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

Independent Auditor's Report

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramsca.net

Board of Directors
Rossmoor Community Services District
Rossmoor, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rossmoor Community Services District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *State Controller's Minimum Audit Requirements for California Special Districts*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST

MANAGERS / STAFF

Charles De Simoni, CPA
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA
Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Thao Le, CPA, MBA
Julia Rodriguez Fuentes, CPA, MSA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

*Employee Benefit Plan
Audit Quality Center*

California Society of
Certified Public Accountants



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
October 4, 2021

Rossmoor Community Services District

**Government-Wide Financial Statements
Statement of Net Position
June 30, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 1,283,458
Receivables:	
Accounts	60,000
Taxes	18,876
Interest	921
Capital assets not being depreciated	2,866,408
Capital assets being depreciated, net	<u>1,382,728</u>
 Total assets	 <u>5,612,391</u>
LIABILITIES	
Accounts payable	76,140
Deposits	3,215
Compensated absences - due within one year	28,804
Compensated absences - due in more than one year	<u>8,604</u>
 Total liabilities	 <u>116,763</u>
NET POSITION	
Investment in capital assets	4,249,136
Unrestricted	<u>1,246,492</u>
 Total net position	 <u><u>\$ 5,495,628</u></u>

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

**Government-Wide Financial Statements
Statement of Activities
For the Year Ended June 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> Charges for Services	<u>Net Governmental Activities</u>
Governmental activities:			
General government	\$ 895,419	\$ -	\$ (895,419)
Public services	283,271	60,000	(223,271)
Parks and recreation	508,395	123,335	(385,060)
Interest	269	-	(269)
Total governmental activities	<u>\$ 1,687,354</u>	<u>\$ 183,335</u>	<u>(1,504,019)</u>
General revenues:			
Taxes:			
Property			1,098,769
Special assessments			381,240
Investment income			4,982
Other			<u>34,257</u>
Total general revenues			<u>1,519,248</u>
Change in net position			15,229
Net Position:			
Beginning of year			<u>5,480,399</u>
End of year			<u>\$ 5,495,628</u>

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

**Governmental Funds Financial Statements
Balance Sheet
June 30, 2021**

	<u>General</u> <i>Fund 10</i>	<u>Capital Projects Contributions</u> <i>Fund 40</i>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 1,283,458	\$ -	\$ 1,283,458
Receivables:			
Accounts	60,000	-	60,000
Taxes	18,876	-	18,876
Interest	921	-	921
Total assets	<u>\$ 1,363,255</u>	<u>\$ -</u>	<u>\$ 1,363,255</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 76,140	\$ -	\$ 76,140
Deposits	3,215	-	3,215
Total liabilities	<u>79,355</u>	<u>-</u>	<u>79,355</u>
Fund balances:			
Unassigned	<u>1,283,900</u>	<u>-</u>	<u>1,283,900</u>
Total fund balances	<u>1,283,900</u>	<u>-</u>	<u>1,283,900</u>
Total liabilities and fund balances	<u>\$ 1,363,255</u>	<u>\$ -</u>	<u>\$ 1,363,255</u>

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

**Governmental Funds Financial Statements
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-Wide Statement of Net Position
June 30, 2021**

Fund balances of governmental funds \$ 1,283,900

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 4,249,136

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences (37,408)

Net position of governmental activities \$ 5,495,628

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

Governmental Funds Financial Statements
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
	<u>Fund 10</u>	<u>Contributions</u>	<u>Governmental</u>
		<u>Fund 40</u>	<u>Funds</u>
REVENUES			
Taxes	\$ 1,098,769	\$ -	\$ 1,098,769
Special assessments	381,240	-	381,240
Intergovernmental	60,000	-	60,000
Charges for services	123,335	-	123,335
Investment income	4,982	-	4,982
Other	34,257	-	34,257
Total revenues	<u>1,702,583</u>	<u>-</u>	<u>1,702,583</u>
EXPENDITURES			
Current:			
General government	897,329	-	897,329
Public services	283,271	-	283,271
Parks and recreation	294,456	-	294,456
Capital outlay	63,136	-	63,136
Debt service:			
Principal	7,177	-	7,177
Interest	269	-	269
Total expenditures	<u>1,545,638</u>	<u>-</u>	<u>1,545,638</u>
Excess of revenues over (under) expenditures	<u>156,945</u>	<u>-</u>	<u>156,945</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	47,349	-	47,349
Transfers out	-	(47,349)	(47,349)
Total other financing sources (uses)	<u>47,349</u>	<u>(47,349)</u>	<u>-</u>
Net change in fund balances	204,294	(47,349)	156,945
FUND BALANCES			
Beginning of year	<u>1,079,606</u>	<u>47,349</u>	<u>1,126,955</u>
End of year	<u>\$ 1,283,900</u>	<u>\$ -</u>	<u>\$ 1,283,900</u>

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

Governmental Funds Financial Statements

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund

**Balances of Governmental Funds to the Government-Wide Statement of Activities
For the Year Ended June 30, 2021**

Net change in fund balances - total governmental funds \$ 156,945

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This is the amount by which depreciation expense (\$162,286) exceeded capitalized capital outlay (\$41,680) in the current period, adjusted for the net effect of disposition of capital assets (\$30,962). (151,568)

Repayment of the principal of long-term debt was an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.

Principal payments on loan payable 7,177

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in compensated absences 2,675

Change in net position of governmental activities \$ 15,229

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

**Fiduciary Funds Financial Statements
Statement of Fiduciary Net Position
June 30, 2021**

	Custodial Fund <i>Fund 50</i>
ASSETS	\$ -
LIABILITIES	\$ -
NET POSITION	\$ -

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

**Fiduciary Funds Financial Statements
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021**

	Custodial Fund <i>Fund 50</i>
ADDITIONS	<u>\$ -</u>
DEDUCTIONS	
Payments to bondholders	<u>482,093</u>
Total deductions	<u>482,093</u>
Net decrease in fiduciary net position	(482,093)
NET POSITION	
Beginning of year	<u>482,093</u>
End of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Rossmoor Community Services District

Notes to Basic Financial Statements For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies

A. Reporting Entity

On November 4, 1986, the territory of the unincorporated Rossmoor Community approved the order adopted on June 25, 1986 by the Board of Supervisors of the County of Orange ordering a reorganization resulting in the formation of the Rossmoor Community Services District (the District). The District was formed to acquire, provide and maintain public recreation facilities and services, street lighting, and, subject to the consent of the County of Orange, installation and maintenance of median landscaping, aesthetic trimming of parkway trees, and street sweeping.

Upon formation on January 1, 1987, the District assumed responsibility for the various services formerly provided by Community Service Area Number 21 and assumed all assets and liabilities, including real property, from Community Service Area Number 21.

The District is governed by a five member Board of Directors elected by the registered voters within the District boundaries.

B. Basis of Presentation

Financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board ("GASB") commonly referred to as accounting principles generally accepted in the United States of America ("GAAP"). GASB is the accepted standards-setting body for establishing governmental accounting and financial reporting standards.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities. These statements report information of all nonfiduciary activities of the primary government.

The government-wide financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, liabilities, including capital assets and long-term liabilities, are included in the accompany statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned (i.e. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.). Expenses are recognized in the period when the liability is incurred, regardless of the timing of the related cash flows.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. An accompanying schedule is presented to reconcile and explain the differences in Fund Balance as presented in these statements to the Net Position presented in the Government-wide Financial Statements. The District presented all funds as major funds.

Governmental fund financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, special assessments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the District.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

The District reports the following major governmental funds:

The **General Fund** is the general operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. The general operating expenses not paid through other funds are paid from this fund. This fund correlates with Fund 10 in the District's annual budget.

The **Capital Projects Contributions Fund** is used for the financing and construction of the District's public facilities. This fund correlates with Fund 40 in the District's annual budget, and the fund was closed during the year.

Additionally, the District reports the following fund types:

Fiduciary Fund:

The **Custodial Fund** is used to account for assets held by the District as a custodian for other parties and agencies. The assets held are related to the series 1993 park improvement bonds, which are the liability of the property owners and are secured by liens against the assessed properties. This fund correlates with Fund 50 in the District's annual budget, and the fund was closed during the year upon repayment of the bonds.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

D. Property Taxes

Property taxes and special assessments associated with the current fiscal year are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year. Property taxes attach as an enforceable lien on property. Secured and unsecured property taxes are levied on July 1st. The unsecured and secured property tax lien date is January 1st. Unsecured property taxes become delinquent on August 31st. Secured property taxes are payable in two installments, on November 1st and February 1st of each year, become delinquent on December 10th and April 10th, respectively. The County of Orange bills and collects the property taxes and remits them to the District according to a payment schedule established by the County. Property tax revenues are recognized when received in cash except at year-end when they are accrued pursuant to the modified accrual basis of accounting. The County is permitted by State law to levy property taxes at 1% of full market value (at the time of purchase) and can increase property assessed value no more than 2% per year.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

E. Cash, Cash Equivalents, and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District is a voluntary participant in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Assets-Backed Securities. LAIF's investments are subject to credit risk with full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Certain disclosures requirements for deposits and investment risks were made in the following area:

- Interest rate risk
- Credit risk
 - Overall
 - Custodial credit risk
 - Concentration of credit risk

F. Receivables

All receivables are shown net of an allowance for doubtful accounts.

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are valued at the acquisition value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District utilizes a capitalization threshold of \$5,000 and an estimated useful life in excess of two years.

Depreciation is recorded on a straight-line basis over the following estimated useful lives:

Buildings and structures	7 – 40 years
Computer equipment	3 – 7 years
Motorized vehicles	5 – 10 years

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Long-term liabilities

In the government-wide financial statements, long-term liabilities are reported as liabilities in the applicable governmental activities statement of net position. Issuance costs are expensed when incurred.

I. Compensated Absences

Full-time District employees earn twelve sick leave days per year and ten to twenty vacation days per year depending on years of service. Part-time employees earn sick and vacation days at a pro-rated amount. Vacation days can only be used after one year of employment. Upon termination, the District is obligated to compensate employees for 100% of the accrued vacation time, and up to 80 hours of unused sick leave. Compensated absences are recorded in the long-term liabilities in the statement of net position.

J. Net Position

In government-wide financial statements, net position is classified in the following categories:

Investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation

Restricted – This component of net position consists of restricted assets reduced by liabilities related to those assets

Unrestricted – This component of net position is the amount of the assets, liabilities that are not included in the determination of investment in capital assets or the restricted component of net position

K. Fund Balances

Nonspendable – amounts that are not in a spendable form (such as prepaids and deposits) or are required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Fund Balances (Continued)

Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund.

L. Spending Policy

For government-wide financial statements, when an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy is to apply restricted net position first.

For governmental fund financial statements, when expenditures are incurred for purposes where only unrestricted fund balances are available, the District's policy is to apply the unrestricted resources in the following order: committed, assigned, and unassigned.

M. Revenues

Property taxes and special assessments are collected by the County of Orange on behalf of the District and remitted to the District at various times during the year. Reimbursements from the State and the County are presented as intergovernmental revenues. Charges for services revenues represent fees collected for the use of District facilities. Investment income is derived from interest earnings and fair market value adjustments of the District's financial assets that are maintained in various investment types. Revenues not classified in one of the categories above are presented as other revenues.

Intergovernmental revenue for the year ended June 30, 2021 consists of County street sweeping reimbursements of \$60,000. These intergovernmental revenues are presented as program revenues under the public services function/program in the statement of activities.

N. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

O. Implementation of New Pronouncement

The District implemented GASB Statement No. 84, *Fiduciary Activities*. The principal objective of this Statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 2 – Stewardship, Compliance and Accountability

A. Budgetary Data

Budgets for the General Fund and the Capital Projects Fund are prepared, approved and adopted in accordance with Section 61110 of the government code. Budgetary control is maintained at the total expenditure level of each fund. Unexpended and unencumbered appropriations of the governmental funds automatically lapse at the end of the fiscal year for noncapital projects. Any deficiency of budgeted revenues compared to budgeted expenditures is financed from beginning unrestricted fund balance. During the fiscal year, several nominal supplementary appropriations were necessary.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2021, expenditures in excess of appropriations (legally adopted annually budget) are as follows.

<u>Fund</u>	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund	\$ 1,545,638	\$ 1,493,335	\$ 52,303

Note 3 – Cash and Investments

Cash and investments as of June 30, 2021 consist of the following.

Cash on hand	\$ 400
Demand deposits	199,052
Local Agency Investment Fund	<u>1,084,006</u>
Total cash and investments	<u>\$ 1,283,458</u>

Investments Authorized by the California Government Code and the District's Investment Policy

The following table identifies the investment types that are authorized by the District's investment policy. The table also identifies certain provisions of the District's investment policy that address interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Rossmoor Community Services District

Notes to Basic Financial Statements For the Year Ended June 30, 2021

Note 3 – Cash and Investments (Continued)

Investments Authorized by the California Government Code and the District's Investment Policy (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Securities, Notes and Bonds	5 Years	25%	\$250,000
Federal Agency or U.S. Government Securities	5 Years	25%	\$250,000
California State Bonds, Warrants and Treasury Notes	5 Years	25%	\$250,000
California Local Agency Investment Fund	N/A	100%	\$75 Million
Orange County Treasury	N/A	25%	None
Medium-Term U.S. Corporate Bonds or Notes	5 Years	25%	\$250,000
Bankers Acceptances	6 Months	25%	\$250,000
Certificates of Deposit	2 Years	25%	\$250,000

Local Agency Investment Fund

The District is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District's investments in LAIF at June 30, 2021 included a portion of pool funds invested in Structure Notes and Asset-Backed Securities:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2021, the District had \$1,084,006 invested in LAIF, which had invested 2.31% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines market value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The District's investment in LAIF is reported at amortized cost at June 30, 2021. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at <http://www.treasurer.ca.gov>.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 3 – Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Total</u>	<u>12 months or less</u>	<u>12 months or more</u>
Local Agency Investment Fund	\$ 1,084,006	\$ 1,084,006	\$ -

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the District's investment policy or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>
Local Agency Investment Fund	\$ 1,084,006	N/A	Not rated

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 3 – Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy limits investments in certificates of deposit and corporate notes from one issuer to \$250,000. All other authorized deposits are subject to the following provision: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure governmental agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2021, the District did not have deposits with financial institutions in excess of federal depository insurance limits.

Fair Value of Investments

GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the statement of net position/balance sheet, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level of inputs are as follows:

- Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liability at the measurement date.

Investments in the Local Agency Investment Fund (LAIF) are not subject to classification in the fair value hierarchy.

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 4 – Capital Assets

A summary of changes in capital assets activity for the District’s governmental activities for the year ended June 30, 2021 is as follows.

	Balance at June 30, 2020	Increases	Decreases	Balance at June 30, 2021
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,861,158	\$ -	\$ -	\$ 2,861,158
Construction in progress	10,762	-	(5,512)	5,250
Total capital assets, not being depreciated	<u>2,871,920</u>	<u>-</u>	<u>(5,512)</u>	<u>2,866,408</u>
Capital assets, being depreciated:				
Buildings and structures	4,541,171	47,192	(91,740)	4,496,623
Computer Equipment	5,353	-	-	5,353
Motorized vehicles	59,703	-	-	59,703
Total capital assets, being depreciated	<u>4,606,227</u>	<u>47,192</u>	<u>(91,740)</u>	<u>4,561,679</u>
Less accumulated depreciation for:				
Buildings and structures	(3,045,778)	(157,012)	60,778	(3,142,012)
Computer Equipment	(319)	(765)	-	(1,084)
Motorized vehicles	(31,346)	(4,509)	-	(35,855)
Total accumulated depreciation	<u>(3,077,443)</u>	<u>(162,286)</u>	<u>60,778</u>	<u>(3,178,951)</u>
Total capital assets, being depreciated, net	<u>1,528,784</u>	<u>(115,094)</u>	<u>(30,962)</u>	<u>1,382,728</u>
Governmental activities capital assets, net	<u>\$ 4,400,704</u>	<u>\$ (115,094)</u>	<u>\$ (36,474)</u>	<u>\$ 4,249,136</u>

Depreciation expense was charged to the following functions/programs in the statement of activities.

General government	\$ 765
Parks and recreation	<u>161,521</u>
	<u>\$ 162,286</u>

Rossmoor Community Services District

**Notes to Basic Financial Statements
For the Year Ended June 30, 2021**

Note 5 – Long-Term Liabilities

A summary of changes in long-term liabilities for the District’s governmental activities for the year ended June 30, 2021 is as follows.

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year
Long-term debt					
from direct borrowing:					
Loan payable	\$ 7,177	\$ -	\$ (7,177)	\$ -	\$ -
Other long-term liabilities:					
Compensated absences	40,083	35,328	(38,003)	37,408	28,804
Total long-term liabilities	<u>\$ 47,260</u>	<u>\$ 35,328</u>	<u>\$ (45,180)</u>	<u>\$ 37,408</u>	<u>\$ 28,804</u>

Loan Payable

On August 15, 2016, the District financed the purchase of a truck for \$27,784. The loan bears interest at 5.99% a year and matures on August 29, 2021. The District paid the remaining balance of the loan during the year ended June 30, 2021.

Non-District Obligation Bonds – Special Assessment District Bonds

On June 10, 1993, the District issued \$5,000,000 of Series 1993 Limited Obligation Improvement Bonds for Landscaping and Lighting Assessment District No. 1991-1 (Rush School Site Acquisition Project) in accordance with the provisions of the Municipal Improvement Act 1915. The bonds are the liability of the property owners and are secured by liens against the assessed properties. The District acts as agent for collection of principal and interest payments by the property owners and remittance of such monies to the bondholders. Neither the faith and credit nor the general taxing power of the District have been pledged to the payment of the bonds. The bonds bear interest at 6.2% a year and mature on September 2, 2021. The balance of the bonds outstanding were paid in full during the year ended June 30, 2021.

Note 6 – Transfers To/From Other Funds

The District closed out the Capital Projects Contribution Fund (Fund 40) and transferred the remaining \$47,349 to General Fund (Fund 10) during the year ended June 30, 2021.

Rossmoor Community Services District

Notes to Basic Financial Statements For the Year Ended June 30, 2021

Note 7 – Risk Management

Liability coverage for the District is provided through the California Joint Powers Insurance Authority (California JPIA). In addition to liability coverage, the California JPIA offers other coverage programs. The various coverage programs shown below apply to the District. Pollution legal liability insurance, all risk property insurance, and crime insurance are purchased from commercial insurance companies on behalf of the District. Claims administration for the liability program is provided by Carl Warren & Company. Workers' Compensation liability is covered through State Fund Insurance.

Comprehensive General and Automobile Liability Coverage

Period: July 1, 2020 to July 1, 2021

Limit: \$50 million combined single limit per occurrence

Annual Contribution Paid: \$26,687

Cumulative Refund Due from California JPIA as of June 30, 2021: \$0

Pollution Legal Liability Insurance

Period: July 1, 2020 to July 1, 2021

Limit: \$5 million per member, \$250,000 per occurrence self-insured retention

Premium Paid 2020-21: \$284

All Risk Property Insurance

Period: July 1, 2020 to July 1, 2021

Deductibles: (a) \$10,000 for Building and Contents,

(b) 5% for optional Earthquake and Flood, and (c) \$5,000 for optional Mechanical Breakdown

Premium Paid 2020-21: \$7,000

Crime Insurance

Period: July 1, 2020 to July 1, 2021

Deductible: \$5,000 Faithful Performance, Depositor's Forgery, Theft, and Computer Fraud

Premium Paid 2020-21: \$1,800

Adequacy of Protection

All claims are investigated, valued, reserved, defended and/or settled in accordance with generally accepted insurance industry practices. There are no existing claims known to the District which would exceed its applicable coverage. For the past three years, no claim has exceeded coverage limits for any of the programs indicated above. Contributions made for pooled self-insurance programs include amounts for claims which may have been incurred but not reported. Management believes the coverage as stated above is adequate and reasonable for the District.

Rossmoor Community Services District

Notes to Basic Financial Statements For the Year Ended June 30, 2021

Note 8 – COVID-19

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption in all sectors, both private and public. There is considerable uncertainty around the financial impacts of the pandemic on the District. The District's major revenue sources could be directly impacted by these events, however, the ultimate financial impact and duration cannot be estimated at this time, and no adjustments have been made to these financial statements as a result of the contingency.

Rossmoor Community Services District

**Required Supplementary Information
General Fund (Fund 10)
Budgetary Comparison Schedule
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,041,595	\$ 1,041,595	\$ 1,098,769	\$ 57,174
Special assessments	360,000	360,000	381,240	21,240
Intergovernmental	60,000	60,000	60,000	-
Charges for services	164,900	164,900	123,335	(41,565)
Investment income	16,000	16,000	4,982	(11,018)
Other	37,000	37,000	34,257	(2,743)
Total revenues	<u>1,679,495</u>	<u>1,679,495</u>	<u>1,702,583</u>	<u>23,088</u>
EXPENDITURES				
Current:				
General government	772,525	772,525	897,329	(124,804)
Public services	289,550	289,550	283,271	6,279
Parks and recreation	327,710	327,710	294,456	33,254
Capital outlay	103,550	103,550	63,136	40,414
Debt service:				
Principal	-	-	7,177	(7,177)
Interest	-	-	269	(269)
Total expenditures	<u>1,493,335</u>	<u>1,493,335</u>	<u>1,545,638</u>	<u>(52,303)</u>
Excess of revenues over (under) expenditures	<u>186,160</u>	<u>186,160</u>	<u>156,945</u>	<u>(29,215)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>47,349</u>	<u>7,349</u>
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>47,349</u>	<u>7,349</u>
Net change in fund balance	<u>\$ 226,160</u>	<u>\$ 226,160</u>	204,294	<u>\$ (21,866)</u>
FUND BALANCE				
Beginning of year			<u>1,079,606</u>	
End of year			<u>\$ 1,283,900</u>	



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REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebir, CPA, MBA, CGMA
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John Maldonado, CPA, MSA
Thao Le, CPA, MBA
Julia Rodriguez Fuentes, CPA, MSA

MEMBERS

American Institute of
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PCPS The AICPA Alliance
for CPA Firms

Governmental Audit
Quality Center

Employee Benefit Plan
Audit Quality Center

California Society of
Certified Public Accountants

Independent Auditor's Report

Board of Directors
Rossmoor Community Services District
Rossmoor, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Rossmoor Community Services District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 4, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001 that we consider to be significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California

October 4, 2021

Rossmoor Community Services District

Schedule of Findings and Responses For the Year Ended June 30, 2021

Finding 2021-001

Significant Deficiency in Internal Control Over Financial Reporting – Bank Reconciliation and Review of Bank Reconciliation

Criteria: The segregation of duties and responsibilities between different individuals for custody of assets, recordkeeping for those assets, and reconciliation of those asset accounts is an important control activity necessary to adequately protect the District's assets and ensure accurate financial reporting.

Condition: During our audit, we noted that the bank reconciliation process and results are inconsistent and not easy to perform in the current accounting system. The current accounting system does not have a bank reconciliation module, and therefore the reconciliation process is performed manually, which increases the effort involved in performing the bank reconciliation and is more likely to yield variances requiring follow-up. We also noted that the bank reconciliations were not consistently evidenced of being reviewed and approved by an individual other than the one who performed the bank reconciliations.

Effect or Potential Effect: Without sufficient segregation of duties, the risk significantly increases that errors and fraud related to cash activities, including misappropriation of assets, could occur and not be detected within a timely basis.

Cause: Earlier in the year, the preparation and review of the bank reconciliations were performed by one employee. Later in the year, the preparation of the bank reconciliations was performed by a consultant. Examination of a sample of bank reconciliations throughout the year indicated management's review was not consistently documented.

This is a repeat finding from prior year identified as finding 2020-001.

Recommendation: We recommend that management, who is independent of cash receipting and disbursement activities, should review the bank reconciliations for any unusual items and document their approval by initialing and dating the forms.

Views of Responsible Officials and Planned Corrective Actions: We concur with the auditor's recommendation and will take the necessary actions to improve the bank reconciliation process and to document the review and approval of the bank reconciliations by management.

Rossmoor Community Services District

Best Practice Recommendations For the Year Ended June 30, 2021

During our procedures, we noted certain matters that we consider to be an opportunity for improving internal controls and financial reporting. However, these items are not considered significant deficiencies.

Accounting Software Update

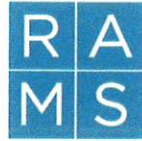
Observation:

The District's fund accounting system has certain limitations, including but not limited only to the following:

- Users are unable to access data older than the immediate prior fiscal year, which makes longer term reporting of trends a time-consuming manual process.
- There is no built-in bank reconciliation module, so that process is performed manually in Excel outside of the accounting system, which is inefficient and more prone to data errors.
- It does not handle subsidiary ledgers well, such as accounts receivable and account payable.
- It does not integrate well with other systems such as payroll processing, leading to manual processes to record those transactions in the ledger.
- Routine transactions such as voiding checks are not handled well when crossing fiscal years, leading to manual processes to correctly record such transactions.
- It doesn't handle budgets efficiently, leading to manual processes to prepare budget reports.

Recommendation:

There are numerous off-the-shelf accounting packages that are far more efficient and easier to use. We feel that a new accounting system would benefit the District in at least three specific ways. First, it would increase the accounting department's ability to record daily transactions efficiently and effectively. Second, it would provide management with complete and accurate financial information on a more timely basis. Third, it would make it easier to transition accounting assignments between different individuals as necessary since processes would become more integrated and routine. We strongly suggest that this investment will be very worthwhile and beneficial over the years.



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October 4, 2021

To the Board of Directors
Rossmoor Community Services District

We have audited the financial statements of Rossmoor Community Services District (the District) as of and for the year ended June 30, 2021, and have issued our report thereon dated October 4, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 4, 2021, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated October 4, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

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Audit Quality Center*

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Certified Public Accountants



Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the District's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. As described in Note 1 to the financial statements, during 2020-2021, the District implemented GASB Statement No. 84, *Fiduciary Activities*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year has been reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are management's estimates of the depreciation expense and accumulated depreciation which are based on the estimated useful lives of the depreciable capital assets.

Management's estimate of the depreciation expense and accumulated depreciation are based on the estimated useful lives of the depreciable capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to the disclosure of accumulated depreciation in the notes to the financial statements based on estimated useful lives which could differ from actual useful lives of each capitalized item, and the disclosure related to the possible effects of the COVID-19 pandemic in the notes.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management, and are attached to this letter.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 4, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the District, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
October 4, 2021



ROSSMOOR COMMUNITY SERVICES DISTRICT
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October 4, 2021

Rogers, Anderson, Malody & Scott, LLP
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This representation letter is provided in connection with your audit of the basic financial statements of Rossmoor Community Services District (the District) as of June 30, 2021 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the District in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 4, 2021.

Financial Statements

- We have fulfilled responsibilities, as set out in the terms of the audit engagement dated May 4, 2021 for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

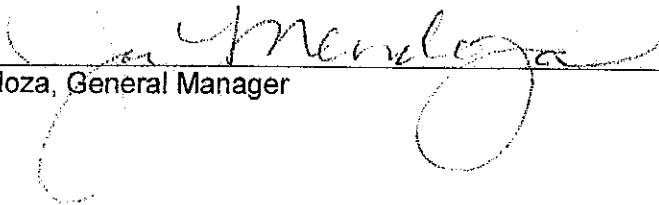
- With respect to the nonattest services provided: maintaining the District's capital asset records, and preparing the State Controller's Annual Financial Transaction Report, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the District's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatening litigation, claims, and assessments whose effects should be considered when preparing the financial statements
- We have disclosed to you the identity of all the District's related parties and the nature of all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under the District is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the District will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future

outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.

- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.



Joe Mendoza, General Manager

Rossmoor Community Services District

Policy

No. 3025

ANNUAL FINANCIAL AUDIT

3025.00 Policy: The integrity of the financial records of the Rossmoor Community Services District constitutes a non-delegable duty of its elected Board of Directors. To assure accuracy of these records and to insure the independence of the firm selected to perform District audit services, the Board will consider, in its discretion, soliciting proposals for a new audit service contract in accordance with the provisions of California Government Code Section 12410.6(b).

3025.01 Audit Services Limitations: The District shall not employ a public accounting firm to provide audit services if the lead audit partner or coordinating partner having responsibilities for the audit, or audit partner responsible for reviewing the audit, has performed audit services for the District for six consecutive fiscal years. The six-year consecutive limitation shall commence with the 2013-2014 fiscal year.

3025.02 Best Practices: In addition to the requirements of Section 3025.01, any California-licensed public accounting firm engaged by the District to perform an audit shall comply with the peer review requirements set forth in California Business & Professions Code Section 5076, and shall provide the District with a copy of its latest peer review report annually. Any firm engaged by the District shall comply with California Government Code Section 12410.6(b) regarding changing the lead audit partner or coordinating audit partner having primary responsibility for the audit, and/or the audit partner responsible for reviewing the audit.

3025.03 Auditing Bidding Process: The District may, in its discretion, reengage the public accounting firm that provides audit services after six consecutive fiscal years if the firm has complied with the provisions of Section 3025.02 or if the Office of the Controller has made a finding that another eligible accounting firm is not available to perform the audit.

3025.10 Audit Committee: The Audit Committee is comprised of two Board members and the General Manager. The President of the Board appoints members to the Committee.

3025.20 Audit Term: An independent financial audit shall be performed annually as soon as practicable after the end of the fiscal year.

3025.30 Audit Approval: Audit findings will first be reviewed by the General Manager who shall then request a meeting of the Audit Committee. The Committee will review the Draft Audit Report with the Auditor and make recommendations, if needed. The findings of the Audit Committee regarding the Draft Audit will be reported to the Board for its review and approval. The Board will also consider findings, if any, which may be contained in a Management Letter and direct the General Manager to take appropriate action. Relevant financial information contained in the Final Audit, showing Fund Balances and tying them to the budget, will be integrated into the Final Budget document for publication and distribution as the District's operating budget.

Converted from Resolutions 93-2 & 95-1

Amended: February 11, 2003

Amended: September 14, 2004

Amended: October 9, 2007

Amended: January 13, 2009

Amended: February 13, 2018

ROSSMOOR COMMUNITY SERVICES DISTRICT

AGENDA ITEM I

Date: October 12, 2021
To: Honorable Board of Directors
From: General Manager Joe Mendoza
Subject: GENERAL MANAGER ITEMS

RECOMMENDATION

Receive and file.

INFORMATION

In addition to the day-to-day operations of the Rossmoor Community Services District (RCSD) the General Manager has been working on the following projects:

1. Street Sweeping: The General Manager will provide an update regarding the street sweeping resolution that was presented at the Tuesday, October 5, 2021 County of Orange Board of Supervisors meeting.
2. Rush Park Auditorium Audio-Visual and Lighting Upgrades: As reported last month, the electrical system for the Rush Park Auditorium has recently been upgraded in preparation for the addition of background lighting, new speakers, cameras, and a projection system. All of these items were being tested and would be installed as they became available. **Update:** The projector, automated screen, monitor, and speakers have all been installed and are operable. The District is waiting for an additional camera and will merge the system together to provide a live-feed for our Board and Committee meetings. The upgrades have exposed the age and inefficiencies of the existing electrical panels and the need to change out the panels and rewire the breakers. Staff is working on securing bids and finding a budget source for the additional cost and will present this item to the Board when appropriate.
3. Blood Drive: The next American Red Cross Blood Drive is scheduled for Wednesday, October 20, 2021 at 9 a.m. at Rush Park Auditorium.
4. Local Control Study Sessions: The General Manager will provide an overview of the October 7, 2021 Local Control Study Session, as well as, the proposed content for the Saturday October 16, 2021 Local Control Study Session scheduled for 3 p.m. at Rush Park Auditorium.
5. CR&R Town Hall: CR&R will be conducting an educational Town Hall meeting on Thursday, October 21, 2021 at 6:30 p.m. that will provide information regarding the scheduled three trash bin system. Also mark your calendars for Saturday, November 13, 2021 for a special large item pick up day at Rush Park hosted by CR&R. Additional information will be posted regarding logistics and items that may be accepted.

6. Winter Festival: The Winter Festival is scheduled for Saturday, December 11, 2021 at Rush Park. Additional information will be forthcoming.
7. Arts Grant Received from Supervisor Katrina Foley: The recent Family Foodie Festival on Saturday, October 2, 2021 was a huge success. The evening was topped off by Supervisor Katrina Foley presenting the RCSD Board with a \$10,000 arts grant that will be used for the upcoming Winter Festival. In addition, the District was able to use these funds to provide six non-profit groups with games booths at no charge to them, so that their ticket sales would provide revenue to the non-profits, thereby helping to fund the services these groups provide to our community. The non-profit groups averaged revenue of approximately \$500 for the day.
8. Heroes Luncheon: The Los Alamitos Chamber of Commerce hosted their annual Heroes Luncheon on Thursday, September 23, 2021 in the Rush Park Auditorium. Approximately 230 people attended the event that honored essential workers, including military, police, fire and hospital personnel. Director Searles was in attendance and opened the program by welcoming the guests. Also in attendance were Supervisor Katrina Foley and Senator Tom Umberg.
9. Playground Safety Audit: A playground safety audit was recently performed by a certified playground inspector at Rush and Rossmoor Parks. Both sites were deemed to be in above average condition. In response to comments received from the inspector, staff is working on repairs and replacement of some playground equipment parts.

ATTACHMENTS

None